

1942

# Regulation S-X: form and content of financial statements as amended to and including May 15, 1942

United States. Securities and Exchange Commission

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
PHILADELPHIA, PA.**



**Regulation S-X**

**UNDER**

**THE SECURITIES ACT OF 1933,**

**THE SECURITIES EXCHANGE ACT OF 1934**

**AND**

**THE INVESTMENT COMPANY ACT OF 1940**

**Form and Content of  
Financial Statements**

**As amended to and including  
May 15, 1942**



**UNITED STATES  
GOVERNMENT PRINTING OFFICE  
WASHINGTON : 1942**

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This regulation relates generally to the *form* and *content* of financial statements. The instructions as to what financial statements are required to be filed are contained in the form prescribed for the respective registration statement, application for registration, or report.

Attention is directed to the General Rules and Regulations, under each of the Acts, which contain certain rules of a general nature applicable to this regulation, particularly, rules defining terms and rules prescribing the mode of printing and physical presentation of matter to be filed with the Commission.

In addition the Commission from time to time publishes opinions of its Chief Accountant relating to major accounting questions and to administrative policy with respect to financial statements. Copies of these opinions, which are published as the Accounting Series, may be procured from the Commission upon request.

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## **ARTICLE 1. APPLICATION OF REGULATION S-X**

### **Rule 1-01. Application of Regulation S-X.**

This regulation shall govern the form and content of all financial statements required to be filed as part of—

(a) Registration statements under the Securities Act of 1933, filed on form A-2 or C-1;

(b) Applications for registration of securities under the Securities Exchange Act of 1934, filed on form 8-A, 8-B, 10, 11, 13, 14, 15, 17, 22, 23, or 24;

(c) Supplemental or periodic reports under section 13 of the Securities Exchange Act of 1934, filed on form 10-K, 11-K, 13-K, 14-K, 15-K, 17-K, or 24-K;

(d) Supplemental or periodic reports under section 15 (d) of the Securities Exchange Act of 1934, filed on form 1-MD, 2-MD, or 4-MD; and,

(e) Registration statements and annual reports under the Investment Company Act of 1940.

### **Rule 1-02. Definitions of Terms Used in Regulation S-X.**

Unless the context otherwise requires, terms defined in the General Rules and Regulations or in the instructions to the applicable form, when used in regulation S-X, shall have the respective meanings given in such instructions or rules. In addition the following terms shall have the meanings indicated in this rule unless the context otherwise requires:

**Equity security.**—The term “equity security” means any stock or similar security; or any security convertible, with or without consideration, into such a security, or carrying any warrant or right to subscribe to or purchase such a security; or any such warrant or right.

**Investment company.**—The term “investment company” means an investment company as defined in the Investment Company Act of 1940.

**Majority-owned subsidiary.**—The term “majority-owned subsidiary” means a subsidiary of which securities representing in the aggregate more than 50 percent of the voting power are owned directly by its parent and/or one or more of the parent’s majority-owned subsidiaries.

**Principal holders of equity securities.**—The term “principal holders of equity securities,” used in respect of a particular registra-



tion statement or report, means the persons named in the item of such statement or report calling for holders of record or beneficial owners of more than 10 percent of any class of equity securities. If the particular statement or report contains no such item, the term means the persons named in the most recent related registration statement, application or report of the registrant which contains such an item.

**Significant subsidiary.**—The term “significant subsidiary” means a subsidiary meeting any one of the following conditions:

(a) The investments in and advances to the subsidiary on the part of its parent and the parent’s other subsidiaries exceed 5 percent of the assets of the parent as shown by its most recent individual balance sheet being filed.

(b) The assets of the subsidiary exceed 5 percent of (1) the assets of its parent and the parent’s subsidiaries as shown by the most recent consolidated balance sheet being filed, or (2) if a consolidated balance sheet is not being filed, the assets of the parent as shown by its most recent balance sheet being filed.

(c) The sales and operating revenues of the subsidiary exceed 5 percent of (1) the sales and operating revenues of its parent and the parent’s subsidiaries as shown by the consolidated profit and loss statement being filed for the most recent fiscal year, or (2) if a consolidated profit and loss statement is not being filed, the sales and operating revenues of the parent as shown by its profit and loss statement being filed for the most recent fiscal year.

(d) The subsidiary is the parent of one or more subsidiaries and together with such subsidiaries would, if considered in the aggregate, constitute a significant subsidiary.

**Totally-held subsidiary.**—The term “totally-held subsidiary” means a subsidiary (a) substantially all of the outstanding securities of which are owned by its parent and/or the parent’s other totally-held subsidiaries, and (b) which does not owe to any person other than its parent and/or the parent’s other totally-held subsidiaries any debt of an amount which is material in relation to the particular subsidiary: *Provided, however,* That the existence of any indebtedness incurred in the ordinary course of business which is not overdue and which matures within one year from the date of its creation, whether evidenced by securities or not, shall not prevent a subsidiary from being deemed a totally-held subsidiary.

**Trust.**—The term “trust” when used in article 6A means—

(a) a unit investment trust, including one which issues periodic payment plan certificates, when used in regard to the financial statements to be filed for such trust; and

(b) an unincorporated management investment company which issues periodic payment plan certificates when used in regard to the financial statements to be filed for such company.

## ARTICLE 2. CERTIFICATION

### Rule 2-01. Qualifications of Accountants.

(a) The Commission will not recognize any person as a certified public accountant who is not duly registered and in good standing as such under the laws of the place of his residence or principal office. The Commission will not recognize any person as a public accountant who is not in good standing and entitled to practice as such under the laws of the place of his residence or principal office.

(b) The Commission will not recognize any certified public accountant or public accountant as independent who is not in fact independent. An accountant will not be considered independent with respect to any person in whom he has any substantial interest, direct or indirect, or with whom he is, or was during the period of report, connected as a promoter, underwriter, voting trustee, director, officer, or employee.

### Rule 2-02. Accountants' Certificates.

(a) **Technical Requirements.**—The accountant's certificate shall be dated, shall be signed manually, and shall identify without detailed enumeration the financial statements covered by the certificate.

(b) **Representations as to the Audit.**—The accountant's certificate (i) shall contain a reasonably comprehensive statement as to the scope of the audit made including, if with respect to significant items in the financial statements any auditing procedures generally recognized as normal have been omitted, a specific designation of such procedures and of the reasons for their omission; (ii) shall state whether the audit was made in accordance with generally accepted auditing standards applicable in the circumstances; and (iii) shall state whether the audit made omitted any procedure deemed necessary by the accountant under the circumstances of the particular case.

In determining the scope of the audit necessary, appropriate consideration shall be given to the adequacy of the system of internal check and control. Due weight may be given to an internal system of audit regularly maintained by means of auditors employed on the registrant's own staff. The accountant shall review the accounting procedures followed by the person or persons whose statements are certified and by appropriate measures shall satisfy himself that such accounting procedures are in fact being followed.

Nothing in this rule shall be construed to imply authority for the omission of any procedure which independent accountants would ordinarily employ in the course of an audit made for the purpose of expressing the opinions required by paragraph (c) of this rule.

(c) **Opinions to be Expressed.**—The accountant's certificate shall state clearly: (i) the opinion of the accountant in respect of the financial statements covered by the certificate and the accounting principles and practices reflected therein; (ii) the opinion of the accountant as to any changes in accounting principles or practices, or adjustments of the accounts, required to be set forth by rule 3-07; and (iii) the nature of, and the opinion of the accountant as to, any significant differences between the accounting principles and practices reflected in the financial statements and those reflected in the accounts after the entry of adjustments for the period under review.

(d) **Exceptions.**—Any matters to which the accountant takes exception shall be clearly identified, the exception thereto specifically and clearly stated, and, to the extent practicable, the effect of each such exception on the related financial statements given.

#### **Rule 2-03. Certification by Foreign Government Auditors.**

Notwithstanding any requirements as to certification by independent accountants, the financial statements of any foreign governmental agency may be certified by the regular and customary auditing staff of the respective government, if public financial statements of such governmental agency are customarily certified by such auditing staff.

#### **Rule 2-04. Certification of Financial Statements of Persons Other Than the Registrant.**

If a registrant is required to file financial statements of any other person, such statements need not be certified if certification of such statements would not be required if such person were itself a registrant.

## **ARTICLE 3. RULES OF GENERAL APPLICATION**

### **Rule 3-01. Form, Order, and Terminology.**

Financial statements may be filed in such form and order, and may use such generally accepted terminology, as will best indicate their significance and character in the light of the provisions applicable thereto.

### **Rule 3-02. Inapplicable Captions.**

No entry need be made as to captions in any financial statement as to which the items and conditions are not present. If the amount to be shown under any caption is not significant, the caption need not be separately set forth. This rule, however, shall not be applicable with respect to the captions or column headings of any supporting schedule required to be filed.

### **Rule 3-03. Omission of Inapplicable Schedules.**

(a) If any schedule is not applicable because the required matter is not present, such schedule need not be filed.

(b) A list of the omitted schedules shall immediately precede the schedules which are filed. The reason for the omission of any schedule shall be stated.

### **Rule 3-04. Omission of Substantially Identical Notes.**

If notes covering substantially the same subject matter are required with respect to two or more financial statements, it will suffice to include the required information in a note to one of such statements, provided that a clear and specific reference thereto is made in each of the other statements with respect to which the note is required.

### **Rule 3-05. Omission of Names of Certain Subsidiaries.**

Notwithstanding the requirements as to particular statements, subsidiaries, the names of which are permitted to be omitted from the list of affiliates required by the applicable form, need not be named in any financial statement. Reasonable grouping of such subsidiaries may be made with an explanatory group caption which shall state the number of subsidiaries included in the group.

**Rule 3-06. Additional Information.**

The information required with respect to any statement shall be furnished as a minimum requirement to which shall be added such further material information as is necessary to make the required statements, in the light of the circumstances under which they are made, not misleading. This rule shall be applicable to all statements required to be filed, including copies of statements required to be filed in the first instance with other governmental agencies.

**Rule 3-07. Changes in Accounting Principles and Practices.**

If any significant change in accounting principle or practice, or any significant retroactive adjustment of the accounts of prior years, has been made at the beginning of or during any period covered by the profit and loss statements filed, a statement thereof shall be given in a note to the appropriate statement, and, if the change or adjustment substantially affects proper comparison with the preceding fiscal period, the necessary explanation.

**Rule 3-08. Summary of Accounting Principles and Practices.**

Information required in notes as to accounting principles and practices reflected in the financial statements may be presented in the form of a single statement. In such case specific references shall be made in the appropriate financial statements to the applicable portion of such single statement.

**Rule 3-09. Conversion of Items in Foreign Currencies.**

The basis of conversion of all items in foreign currencies shall be stated, and the amount and disposition of the resulting unrealized profit or loss shown, if significant.

**Rule 3-10. Opening Balances.**

Instructions which permit the balance of an account at the beginning of the period for which financial statements are being filed to be "as per the accounts" shall not be applicable with respect to companies which have previously filed financial statements under the Securities Act of 1933 or the Securities Exchange Act of 1934. As to such companies, however, balances as per accounts may be taken as of the close of the most recent period for which certified financial statements are on file.

**Rule 3-11. Valuation and Qualifying Reserves.**

Except as otherwise specifically provided, valuation and qualifying reserves (other than those created essentially for contingencies) shall be shown separately in the statements as deductions from the specific assets to which they apply: *Provided, however,* That this rule need

not be applied to the reserves for depreciation, depletion, amortization, or retirements provided by a public utility company in respect of its assets other than current assets.

**Rule 3-12. Basis of Determining Amounts—Book Value.**

If an instruction requires a statement as to “the basis of determining the amount”, the basis shall be stated specifically. The term “book value” will not be sufficiently explanatory unless, in a particular instruction, it is stated to be acceptable with respect to a particular item.

**Rule 3-13. Current Assets.**

Items classed as current assets shall be generally realizable within one year. However, generally recognized trade practices may be followed with respect to items such as instalment receivables or inventories long in process, provided an appropriate explanation of the circumstances is made and, if practicable, an estimate is given of the amount not realizable within one year.

**Rule 3-14. Current Liabilities.**

All amounts due and payable within one year shall in general be classed as current liabilities. However, generally recognized trade practices may be followed with respect to items such as customers' deposits and deferred income, provided an appropriate explanation of the circumstances is made.

**Rule 3-15. Reacquired Evidences of Indebtedness.**

Reacquired evidences of indebtedness, if significant in amount, shall be shown separately as a deduction, under the appropriate liability caption. However, reacquired evidences of indebtedness held for pension and other special funds not related to the particular issue may be carried as assets of such funds, provided that there be stated parenthetically the amount of such evidences of indebtedness, the cost thereof, and the amount at which carried.

**Rule 3-16. Reacquired Shares.**

Reacquired shares, if significant in amount, shall be shown separately as a deduction from capital shares, or from the total of capital shares and surplus, or from surplus, at either par or stated value, or cost, as circumstances require.

**Rule 3-17. Discount on Capital Shares.**

Discount on capital shares, if significant in amount, shall be shown separately as a deduction from capital shares or from surplus, as circumstances require, with an indication of what provisions have been made for writing off this item.

**Rule 3-18. General Notes to Balance Sheets.**

If present in regard to the person for which the statement is filed, the following shall be set forth in the balance sheet or in notes thereto:

(a) **Assets subject to a lien.**—The amounts of assets mortgaged, pledged, or otherwise subject to a lien shall be designated and the obligations secured shall be briefly identified. However, in the case of commercial, industrial, and public utility companies this rule need not be followed with respect to assets (other than current assets and securities) given as security for funded debt.

(b) **Intercompany profits and losses.**—If practicable, the amount of any significant intercompany profits or losses (on sales or other charges by persons for which statements are filed) included in inventory, shall be stated. If impracticable of determination without unreasonable effort or expense, give an estimate or explain.

(c) **Defaults.**—The facts and amounts with respect to any default in principal, interest, sinking fund, or redemption provisions with respect to any issue of securities shall be stated. Notation of the default shall be made in the balance sheet.

(d) **Preferred shares.**—

(1) If callable, the date or dates and the amount per share and in total at which such shares are callable shall be stated.

(2) Arrears in cumulative dividends per share and in total for each class of shares shall be stated.

(3) Preferences on involuntary liquidation, if other than the par or stated value, shall be shown. When the excess involved is significant there shall be shown (i) the difference between the aggregate preference on involuntary liquidation and the aggregate par or stated value; (ii) a statement that this difference, plus any arrears in dividends, exceeds the sum of the par or stated value of the junior capital shares and the surplus, if such is the case; and (iii) a statement as to the existence, or absence, of any restrictions upon surplus growing out of the fact that upon involuntary liquidation the preference of the preferred shares exceeds its par or stated value.

(e) **Contingent liabilities.**—A brief statement as to significant contingent liabilities not reflected in the balance sheet shall be made. In the case of guarantees of securities of other issuers a reference to the appropriate schedule shall be included.

**Rule 3-19. General Notes to Profit and Loss Statements.**

If present in regard to the person for which the statement is filed, the following shall be set forth in the profit and loss statement or in notes thereto:

(a) **Instalment or deferred sales.**—If a significant amount of sales is made on an instalment or other deferred basis, the basis of taking profits into income shall be stated.

(b) **Intercompany profits and losses.**—If practicable, the amount of any significant intercompany profits or losses (on sales or other charges by persons for which statements are filed) included in the profit and loss statement shall be stated. If impracticable of determination without unreasonable effort or expense, give an estimate or explain.

(c) **Depreciation, depletion, obsolescence, and amortization.**—State the policy followed during the period for which profit and loss statements are filed with respect to—

(1) The provision for depreciation, depletion, and obsolescence of physical properties, or reserves created in lieu thereof, including the methods and, if practicable, the rates used in computing the annual amounts;

(2) The provision for depreciation and amortization of intangibles, or reserves created in lieu thereof, including the methods and, if practicable, the rates used in computing the annual amounts;

(3) The accounting treatment for maintenance, repairs, renewals, and betterments; and

(4) The adjustment of the accumulated reserves for depreciation, depletion, obsolescence, amortization, or reserves in lieu thereof, at the time properties are retired or otherwise disposed of.



## **ARTICLE 4. CONSOLIDATED AND COMBINED STATEMENTS**

### **Rule 4-01. Application of Article 4.**

This article shall govern the preparation of consolidated and combined statements.

### **Rule 4-02. Consolidated Statements of the Registrant and Its Subsidiaries.**

The registrant shall follow in the consolidated statements principles of inclusion or exclusion which will clearly exhibit the financial condition and results of operations of the registrant and its subsidiaries: *Provided, however, That—*

(a) The registrant shall not consolidate any subsidiary which is not a majority-owned subsidiary;

(b) If the statements of a subsidiary are as of a date or for periods different from those of the registrant, such subsidiary may be consolidated only if all the following conditions exist: (1) Such difference is not more than 93 days; (2) the closing date of the subsidiary is expressly indicated; (3) the necessity for the use of different closing dates is briefly explained; and (4) any changes in the respective fiscal periods of the registrant and the subsidiary made during the period of report are clearly indicated, together with the manner of treatment.

### **Rule 4-03. Group Statements of Subsidiaries Not Consolidated.**

For majority-owned subsidiaries not consolidated with the registrant there may be filed statements in which such subsidiaries are consolidated or combined in one or more groups pursuant to principles of inclusion or exclusion which will clearly exhibit the financial condition and results of operations of the group or groups. If it is essential to a properly summarized presentation of the facts, such consolidated or combined statement shall be filed.

### **Rule 4-04. Statement as to Principle of Consolidation or Combination Followed.**

(a) The principle adopted in determining the inclusion and exclusion of subsidiaries in each consolidated balance sheet and in each group balance sheet of unconsolidated subsidiaries shall be stated in a note to the respective balance sheet.

(b) As to each consolidated statement and as to each group statement of unconsolidated subsidiaries, a statement shall be made as to whether there have been included or excluded any persons not similarly treated in the corresponding statement for the preceding fiscal period, as filed with the Commission. If the answer to the foregoing is in the affirmative, the names of such persons shall be given.

**Rule 4-05. Reconciliation of Investment of Parent in Subsidiaries and Equity of Parent in Net Assets of Subsidiaries.**

(a) **Consolidated subsidiaries.**—There shall be set forth in a note to each consolidated balance sheet filed a statement of any difference between the investment in subsidiaries consolidated, as shown by the parent's books, and the parent's equity in the net assets of such subsidiaries, as shown by the books of the latter. If any such difference exists, there shall be set forth the disposition made thereof in preparing the consolidated statements, naming the balance sheet captions and stating the amounts included in each.

(b) **Subsidiaries not consolidated.**—A statement shall be made of the amount of any difference between the investment of the parent and its consolidated subsidiaries, as shown by their books, in the unconsolidated subsidiaries for which statements are filed and the equity of such persons in the net assets of such unconsolidated subsidiaries, as shown by the books of the latter.

**Rule 4-06. Reconciliation of Dividends Received From, and Earnings of, Unconsolidated Subsidiaries.**

The proportion of the sum of, or difference between, current earnings or losses and the dividends declared or paid by unconsolidated subsidiaries that is applicable to the parent and its consolidated subsidiaries shall be set forth in a note to each consolidated profit and loss statement.

**Rule 4-07. Minority Interests.**

(a) Minority interests in the net worth of subsidiaries consolidated, unless nominal in amount, shall be shown in each consolidated balance sheet. In such case a separation shall be made between the minority interest in the capital and in the surplus.

(b) The aggregate amount of profit or loss accruing to minority interests shall, unless nominal in amount, be stated separately in each consolidated profit and loss statement.

**Rule 4-08. Intercompany Items and Transactions.**

In general, intercompany items and transactions, if significant in amount, shall be eliminated. If not eliminated, a statement of the reasons and the method of treatment shall be made.

**Rule 4-09. Special Requirement as to Insurance Companies.**

(a) Except as provided in paragraph (b) of this rule, the statements of an insurance company shall not be consolidated or combined with the statements of any person.

(b) The statements of an insurance company other than a life insurance company may be consolidated if all of the following conditions exist:

(1) The insurance company is a totally-held subsidiary of the top parent included in the consolidation;

(2) Such top parent is not an insurance company, investment company, or bank holding company;

(3) The insurance company engages in no business of a material amount other than the insuring of risks arising in the ordinary course of business of such top parent and its other subsidiaries;

(4) Separate financial statements for the insurance company are filed.

**Rule 4-10. Special Requirements as to Registrants Which Are Investment Companies.**

If the registrant is an investment company—

(a) Statements of the registrant may be consolidated only with the statements of subsidiaries which are investment companies.

(b) A consolidated statement of the registrant and any of its investment company subsidiaries shall not be filed unless accompanied by a consolidating statement which sets forth the individual statements of each significant subsidiary included in the consolidated statement.

(c) Consolidated or combined statements filed for subsidiaries not consolidated with the registrant shall not include any investment companies unless accompanied by consolidating or combining statements which set forth the individual statements of each included investment company which is a significant subsidiary.

**Rule 4-11. Special Requirements as to Registrants Which Are Bank Holding Companies.**

If the registrant is a bank holding company—

(a) Statements of the registrant may be consolidated only with the statements of subsidiaries which are bank holding companies.

(b) A consolidated statement of the registrant and any of its bank holding company subsidiaries shall not be filed unless accompanied by a consolidating statement which sets forth the individual statements of each subsidiary included in the consolidated statement.

(c) Consolidated or combined statements filed for subsidiaries not consolidated with the registrant shall not include any bank holding

companies unless accompanied by consolidating or combining statements which set forth the individual statements of each included bank holding company subsidiary.

**Rule 4-12. Special Requirements as to Banks.**

If two or more majority-owned subsidiaries of a person are banks and are directly owned by a single parent, there shall be filed, in lieu of individual statements for such subsidiaries, combined statements showing the minority interest separately and eliminating any significant inter-bank items; except that the statements of any such subsidiary which on the date of filing is a closed or liquidating bank shall not be included in any combined statement. Except as provided in the preceding sentence, statements of banks shall not be included in any consolidated or combined statements.

## ARTICLE 5. COMMERCIAL AND INDUSTRIAL COMPANIES

### Rule 5-01. Application of Article 5.

(a) This article shall be applicable to financial statements filed for all persons except—

- (1) Investment companies (see article 6).
- (2) Insurance companies other than life and title insurance companies (see article 7).
- (3) Committees issuing certificates of deposit (see article 8).
- (4) Banks (see article 9, rule 9-05).

(b) **Bank holding companies.**—Financial statements and schedules filed for bank holding companies shall be prepared in accordance with this article except that rules 9-01 to 9-04, inclusive, of article 9 shall be applicable thereto.

### Rule 5-02. Balance Sheets.

The balance sheets filed for persons to whom this article is applicable shall comply with the following provisions:

#### ASSETS AND OTHER DEBITS

##### CURRENT ASSETS

1. **Cash and cash items.**—State separately (a) cash on hand, demand deposits and time deposits; (b) call loans; and (c) funds subject to withdrawal restrictions. Funds subject to such restrictions and deposits in closed banks shall not be classed as current assets unless they will become available within one year.

2. **Marketable securities.**—Include only securities having a ready market. Securities of affiliates shall not be included here. State in the balance sheet the basis of determining the amount at which carried. The aggregate cost and aggregate amount on the basis of current market quotations shall be stated parenthetically or otherwise.

3. **Notes receivable (trade).**—Notes receivable known to be uncollectible shall be excluded from the asset as well as from the reserve account.

4. **Accounts receivable (trade).**—Accounts receivable known to be uncollectible shall be excluded from the asset as well as from the reserve account.

**5. Reserves for doubtful notes and accounts receivable (trade).**

**6. Inventories.**—(a) State separately in the balance sheet, or in a note therein referred to, major classes of inventory such as (1) finished goods; (2) work in process; (3) raw materials; and (4) supplies. Any other classification that is reasonably informative may be used.

(b) The basis of determining the amounts shown in the balance sheet shall be stated. If a basis such as “cost”, “market”, or “cost or market whichever is lower” is given, there shall also be given, to the extent practicable, a general indication of the method of determining the “cost” or “market”: *e. g.*, “average cost” or “first-in, first-out”.

**7. Other current assets.**—(a) State separately (1) total of current amounts, other than trade accounts subject to the usual trade terms, due from directors, officers, and principal holders of equity securities other than affiliates; (2) total of current amounts due from parents and subsidiaries; and (3) any other amounts in excess of five percent of total current assets, indicating when any such amount is due from affiliates other than parents and subsidiaries.

(b) Indebtedness of a parent or subsidiary, or an affiliate designated under (a) (3) shall not be considered as current unless the net current asset position of such person justifies such treatment. In the registrant’s balance sheet show separately that indebtedness which in the related consolidated balance sheet is (1) eliminated and (2) not eliminated.

**8. Total current assets.**

INVESTMENTS

**9. Securities of affiliates.**—State separately in the registrant’s balance sheet the amounts which in the related consolidated balance sheet are (a) eliminated and (b) not eliminated.

**10. Indebtedness of affiliates—Not current.**—State separately in the registrant’s balance sheet that indebtedness which in the related consolidated balance sheet is (a) eliminated and (b) not eliminated.

**11. Other security investments.**—State in the balance sheet, or in a note therein referred to, the basis of determining the amount. If available, state parenthetically or otherwise, the aggregate amount on the basis of market quotations.

**12. Other investments.**—State separately, by class of investments, any items in excess of five percent of the amount of all assets other than fixed and intangible ones.

FIXED ASSETS

**13. Property, plant, and equipment.**

**14. Reserves for depreciation, depletion, and amortization of property, plant, and equipment (or reserves in lieu thereof).**

## INTANGIBLE ASSETS

15. **Patents, trade marks, franchises, goodwill, and other intangible assets.**

16. **Reserves for depreciation and amortization of intangible assets.**

## DEFERRED CHARGES

17. **Prepaid expenses and other deferred items.**—State separately any significant items. Prepayments of services to be received within one year may, however, be included under caption 7.

18. **Organization expense.**

19. **Debt discount and expense.**—State in a note referred to in the balance sheet the method used in amortizing such debt discount and expense.

20. **Commissions and expense on capital shares.**—Explain in a note referred to in the balance sheet what provisions have been made for writing off these items. These items may be shown as deductions from surplus.

## OTHER ASSETS

21. **Other assets.**—State separately (a) total of amounts due from directors, officers, and principal holders of equity securities other than affiliates; (b) each pension or other special fund of a significant amount; and (c) any other item in excess of five percent of the amount of all assets other than fixed and intangible ones.

## LIABILITIES, CAPITAL SHARES, AND SURPLUS

## CURRENT LIABILITIES

22. **Notes payable.**—State separately amounts payable (a) to banks; (b) to trade; and (c) to others.

23. **Accounts payable (trade).**

24. **Accrued liabilities.**—State separately (a) accrued payrolls; (b) tax liability; (c) interest; and (d) any other significant items. If the total under this caption is not significant, it may be stated as one amount.

25. **Other current liabilities.**—State separately (a) dividends declared; (b) serial bonds, notes and mortgage instalments and mortgages due within one year, and funded debt if treated as a current liability; (c) total of current amounts due to parents and subsidiaries, showing separately in the registrant's balance sheet the amounts which in the related consolidated balance sheet are (1) eliminated and (2) not eliminated; (d) total of current amounts, other than items arising in the ordinary course of business, due directors, officers, and principal holders of equity securities other

than affiliates; and (e) any other item in excess of five percent of total current liabilities, indicating any such liability due to affiliates other than parents and subsidiaries. Remaining items may be shown in one amount.

**26. Total current liabilities.**

DEFERRED INCOME

**27. Deferred income.**

LONG-TERM DEBT

**28. Funded debt.**—If any amount of funded debt, other than that stated in caption 25 (b) above, falls due within one year, state separately.

**29. Indebtedness to affiliates—Not current.**—State separately in the registrant's balance sheet that indebtedness which in the related consolidated balance sheet is (a) eliminated and (b) not eliminated.

**30. Other long-term debt.**—Include under this caption all amounts of long-term debt not provided for under captions 28 and 29 above. Indicate whether secured. State separately (a) total of amounts due directors, officers, and principal holders of equity securities other than affiliates; and (b) other long-term debt, specifying any significant item. State separately by years, in the balance sheet or in a note therein referred to, the total amounts of the respective maturities for the five years following the date of the balance sheet.

OTHER LIABILITIES

**31. Other liabilities.**—State separately any amount in excess of five percent of the total of liabilities other than funded debt, capital shares, and surplus.

RESERVES, NOT SHOWN ELSEWHERE

**32. Reserves, not shown elsewhere.**—State separately in the balance sheet the total of each major class.

CAPITAL SHARES AND SURPLUS

**33. Capital shares.**—State in the balance sheet for each class of shares the title of issue, the number of shares authorized, and the number of shares outstanding and the capital share liability thereof. Show also the dollar amount, if any, of capital shares subscribed but unissued, and of subscriptions receivable thereon.

**34. Surplus.**—(a) Show in the balance sheet the division of this item into (1) paid-in surplus; (2) surplus arising from revaluation of assets; (3) other capital surplus; and (4) earned surplus. However, if, in the accounts, separate balances for these are not shown



at the beginning of the period of report, *i. e.*, if the company has not, up to the beginning of the period of report, differentiated in its accounting for surplus as indicated above, then the unsegregated items may be stated in one amount. If the above segregation of surplus is not made, the account titles used shall be such as will indicate the general types of surplus included therein. If undistributed earnings of subsidiaries are included, state the amount thereof parenthetically, or otherwise. However, in a consolidated statement, the preceding sentence shall have reference only to the undistributed earnings of subsidiaries not consolidated in such statement.

(b) An analysis of each surplus account setting forth the information prescribed in rule 11-02 shall be given for each period for which a profit and loss statement is filed, as a continuation of the related profit and loss statement or in the form of a separate statement of surplus, and shall be referred to in the balance sheet.

#### **Rule 5-03. Profit and Loss or Income Statements.**

(a) The profit and loss or income statements filed for persons to whom this article is applicable shall comply with the provisions of this rule.

(b) If income is derived from both gross sales (caption 1A below) and operating revenues (caption 1B below), the two classes may be combined in one amount if the lesser amount is not more than ten percent of the sum of the two items. If these items are combined, the cost of goods sold (caption 2A below) and operating expenses (caption 2B below) may be combined in one amount.

**1A. Gross sales less discounts, returns, and allowances.**—State separately, if practicable and if significant in amount, (a) sales to parents and subsidiaries and (b) sales to others.

##### **2A. Cost of goods sold.**—

(a) State here the amount of cost of goods sold as regularly computed under the system of accounting followed. If opening and closing inventories are used in the computation, state the amounts of such inventories here or in a note herein referred to and state the basis of determining such amounts.

(b) Merchandising organizations, both wholesale and retail, may include occupancy and buying costs under this caption. However, publicity costs shall be included under caption 4 below or shown separately.

**1B. Operating revenues.**—State separately, if practicable and if significant in amount, revenues from (a) parents and subsidiaries and (b) others. A public utility company using a uniform system of accounts or a form for annual report prescribed by Federal or State

authorities, or a similar system or report, shall follow the general segregation of revenues prescribed by such system or report.

**2B. Operating expenses.**—State separately, if practicable and if significant in amount, purchases from and services rendered by (a) parents and subsidiaries and (b) others. A public utility company using a uniform system of accounts or a form for annual report prescribed by Federal or State authorities, or a similar system or report, may follow the general segregation of operating expenses prescribed by such system or report.

**3. Other operating expenses.**—State separately any significant amounts not included in caption 2A or 2B above.

**4. Selling, general, and administrative expenses.**

**5. Provision for doubtful accounts.**

**6. Other general expenses.**—Include items not normally included in caption 4 above. State separately any significant amount.

#### OTHER INCOME

**7. Dividends.**—State separately, if practicable and significant, the amount of dividends from (a) securities of affiliates, (b) marketable securities, and (c) other security investments.

**8. Interest on securities.**—State separately, if practicable and significant, the amount of interest from (a) securities of affiliates, (b) marketable securities, and (c) other security investments.

**9. Profits on securities.**—Profits arising from transactions in securities shall be stated net of losses. No profits on the person's own securities, or on those of its affiliates, shall be included under this caption. State here or in a note herein referred to the principle followed in determining the cost of securities sold, *e. g.*, "average cost" or "first-in, first-out".

**10. Miscellaneous other income.**—State separately, with explanation, any significant amounts, designating clearly the nature of the transactions out of which the items arose.

#### INCOME DEDUCTIONS

**11. Losses on securities.**—Losses arising from transactions in securities shall be stated net of profits. No losses on the person's own securities, or on those of its affiliates, shall be included under this caption. State here or in a note herein referred to the principle followed in determining cost of securities sold, *e. g.*, "average cost" or "first-in, first-out".

**12. Miscellaneous income deductions.**—State separately, with explanations, any significant amounts, designating clearly the nature of the transactions out of which the items arose.

**13. Interest and debt discount and expense.**—State separately (a) interest on funded debt, (b) amortization of debt discount and expense or premiums, and (c) other interest.

**14. Net income before provision for income and excess profits taxes.**

**15. Provision for income and excess profits taxes.**—State separately (a) Federal normal income and excess profits taxes; (b) other Federal income taxes; and (c) other income taxes.

**16. Net income or loss.**—

(a) See caption 34 of rule 5-02.

(b) Gain from transactions in the capital shares of the person for which the statement is filed shall be carried direct to the appropriate surplus account.

(c) Dividends applicable to an issuer's own capital shares held in its treasury or in sinking or other special funds shall not be treated as income.

#### **Rule 5-04. What Schedules Are To Be Filed.**

(a) Except as expressly provided otherwise in the applicable form—

(1) The schedules specified below in this rule as schedules I, IX, XI, XIII, XIV, and XV shall be filed as of the date of the most recent balance sheet filed for each person or group. Such schedules shall be certified if the related balance sheet is certified.

(2) All other schedules specified below in this rule shall be filed for each period for which a profit and loss statement is filed. Such schedules shall be certified if the related profit and loss statement is certified. However, any such schedule in support of a balance sheet caption—

(A) need contain information only as to the balances as of the related balance sheet date if both the additions and the deductions during the period for which profit and loss statements are filed were not significant; or

(B) may be omitted if the balances as of the related balance sheet date and both the additions and the deductions during the period for which profit and loss statements are filed were not significant.

(b) The information required in schedules for the registrant and for the registrant and its subsidiaries consolidated may be presented in the form of a single schedule, provided that items pertaining to the registrant are separately shown and that such single schedule affords a properly summarized presentation of the facts.

(c) Reference to the schedules shall be made against the appropriate captions of the balance sheet and the profit and loss statement.

**Schedule I. Marketable securities—Other security investments.**—The schedule prescribed by rule 12-02 shall be filed—

(1) In support of caption 2 of a balance sheet, if the greater of the aggregate amount of marketable securities on the basis of current market quotations or the amount at which carried in such balance sheet constitutes fifteen percent or more of total assets.

(2) In support of caption 11 of a balance sheet if the amount at which other security investments is carried in such balance sheet constitutes fifteen percent or more of total assets.

(3) In support of captions 2 and 11 of a balance sheet if the amount at which other security investments is carried in such balance sheet plus the greater of the aggregate amount of marketable securities on the basis of current market quotations or the amount at which carried on such balance sheet constitutes twenty percent or more of total assets.

**Schedule II. Amounts due from directors, officers, and principal holders of equity securities other than affiliates.**—The schedule prescribed by rule 12-03 shall be filed with respect to each person among the directors, officers and principal holders of equity securities other than affiliates, from whom an aggregate indebtedness of more than \$20,000 or 1 percent of total assets, whichever is less, is owed, or at any time during the period for which related profit and loss statements are filed, was owed. For the purposes of this schedule, exclude in the determination of the amount of indebtedness all amounts due from such persons for purchases subject to usual trade terms, for ordinary travel and expense advances and for other such items arising in the ordinary course of business.

**Schedule III. Investments in securities of affiliates.**—The schedule prescribed by rule 12-04 shall be filed in support of caption 9 of each balance sheet.

**Schedule IV. Indebtedness of affiliates—Not current.**—The schedule prescribed by rule 12-05 shall be filed in support of caption 10 of each balance sheet. This schedule and schedule X may be combined if desired.

**Schedule V. Property, plant, and equipment.**—The schedule prescribed by rule 12-06 shall be filed in support of caption 13 of each balance sheet.

**Schedule VI. Reserves for depreciation, depletion, and amortization of property, plant, and equipment.**—The schedule prescribed by rule 12-07 shall be filed in support of caption 14 of each balance sheet.

**Schedule VII. Intangible assets.**—The schedule prescribed by rule 12-08 shall be filed in support of caption 15 of each balance sheet.

**Schedule VIII. Reserves for depreciation and amortization of intangible assets.**—The schedule prescribed by rule 12-09 shall be filed in support of caption 16 of each balance sheet.

**Schedule IX. Funded debt.**—The schedule prescribed by rule 12-10 shall be filed in support of caption 28 of each balance sheet.

**Schedule X. Indebtedness to affiliates—Not current.**—The schedule prescribed by rule 12-11 shall be filed in support of caption 29 of each balance sheet. This schedule and schedule IV may be combined if desired.

**Schedule XI. Guarantees of securities of other issuers.**—The schedule prescribed by rule 12-12 shall be filed with respect to any guarantees of securities of other issuers by the person for which the statement is filed.

**Schedule XII. Reserves.**—The schedule prescribed by rule 12-13 shall be filed in support of reserves included in the balance sheet but not included in schedules VI and VIII.

**Schedule XIII. Capital shares.**—The schedule prescribed by rule 12-14 shall be filed in support of caption 33 of each balance sheet.

**Schedule XIV. Warrants or rights.**—The schedule prescribed by rule 12-15 shall be filed with respect to warrants or rights granted by the person for which the statement is filed to subscribe for or purchase securities to be issued by such person.

**Schedule XV. Other securities.**—If there are any classes of securities not included in schedule IX, XI, XIII, or XIV, set forth in this schedule information concerning such securities corresponding to that required for the securities included in such schedules. Information need not be set forth, however, as to notes, drafts, bills of exchange, or bankers' acceptances, having a maturity at the time of issuance of not exceeding one year.

**Schedule XVI. Supplementary profit and loss information.**—The schedule prescribed by rule 12-16 shall be filed in support of each profit and loss statement in which sales or operating revenues were of significant amount.

**Schedule XVII. Income from dividends—Equity in Net Profit and Loss of Affiliates.**—The schedule prescribed by rule 12-17 shall be filed for each period for which a profit and loss statement is filed.

## ARTICLE 6. MANAGEMENT INVESTMENT COMPANIES

### Rule 6-01. Application of Article 6.

This article shall be applicable to financial statements filed for management investment companies other than those which are issuers of periodic payment plan certificates.

### Rule 6-02. Balance Sheets.

The balance sheets filed for persons to whom this article is applicable shall comply with the following provisions:

#### ASSETS AND OTHER DEBITS

1. **Cash and cash items.**—State separately (*a*) cash on hand, demand deposits, and time deposits; (*b*) call loans; and (*c*) funds subject to withdrawal restrictions. Funds subject to such restrictions and deposits in closed banks shall not be included under this caption unless they will become available within one year.

2. **Dividends and interest receivable.**

3. **Notes receivable.**—Notes receivable known to be uncollectible shall be excluded from the asset as well as from the reserve account.

4. **Accounts receivable.**—Accounts receivable known to be uncollectible shall be excluded from the asset as well as from the reserve account.

5. **Reserves for doubtful receivables.**

6. **Sundry assets of a current nature.**—State separately (*a*) total of current amounts due from directors, officers, and principal holders of equity securities other than affiliates; (*b*) participations in syndicates; and (*c*) any other significant amounts.

7. **Investment in securities.**—Investments included under captions 7 to 10 shall be shown in the balance sheet either at value, showing cost parenthetically, or at cost, showing value parenthetically. For the purpose of this rule 6-02, “value” has the meaning defined in section 2 (a) (39) (B) of the Investment Company Act of 1940. Reserves for unrealized depreciation of securities, even if carried on the books, need not be shown if securities are shown in balance sheet at value; if securities are shown in the balance sheet at cost, such reserves if carried on the books shall be shown as deductions under appropriate captions. For securities which have been written down below cost in connection with a quasi-reorganization, such written-down amount may be stated in lieu of cost, provided the date of and a brief statement as to such write-down are shown in a footnote.

State in the balance sheet for each caption the basis of determining the amount at which investments are carried.

(a) **Marketable securities.**—Show separately securities of other investment persons, exclusive of those to be included under caption 9 below.

(b) **Other securities.**—Include all securities not included under subcaption 7 (a) above, or caption 9 or 15 below.

(c) **Reserves for unrealized depreciation in value of securities.**

8. **Investments—Other than securities.**—State separately each major class. See instructions to caption 7.

9. **Investments in securities of affiliates.**—State separately in the registrant's balance sheet the amounts which in the related consolidated balance sheet are (a) eliminated and (b) not eliminated. See instructions to caption 7.

10. **Indebtedness of affiliates.**—State separately in the registrant's balance sheet that indebtedness which in the related consolidated balance sheet is (a) eliminated and (b) not eliminated. See instructions to caption 7.

11. **Prepaid expenses and other deferred items.**—State separately any significant items.

12. **Organization expense.**

13. **Debt discount and expense.**—State in a note referred to in the balance sheet the method used in amortizing such debt discount and expense.

14. **Commissions and expense on capital shares.**—Explain in a note referred to in the balance sheet what provisions have been made for writing off these items. These items may be shown as deductions from surplus.

15. **Other assets.**—State separately (a) total of amounts due from directors, officers, and principal holders of equity securities other than affiliates, not included under caption 6 above; (b) each special fund of a significant amount; (c) real estate and improvements not included under caption 8 above; (d) furniture and fixtures; and (e) any other significant amounts.

## LIABILITIES, CAPITAL SHARES, AND SURPLUS

### LIABILITIES

16. **Notes payable.**—State separately amounts payable (a) to banks, and (b) to others.

17. **Accounts payable.**—State separately (a) the total of amounts payable for purchase of securities, and (b) other accounts payable.

18. **Accrued liabilities.**—State separately (a) accrued salaries, (b) tax liability, (c) interest, and (d) any other significant items. If the total under this caption is not significant, it may be stated as one amount.

19. **Sundry liabilities of a current nature.**—State separately (a) dividends declared; (b) bonds, notes, mortgage instalments, and mortgages due within one year; (c) total of current amounts due to affiliates, showing separately in the registrant's balance sheet the amounts which in the related consolidated balance sheet are (1) eliminated and (2) not eliminated; (d) total of current amounts (other than as required under caption 18) due directors, officers, and principal holders of equity securities other than affiliates; and (e) any other item of significant amount. Remaining items may be shown in one amount.

20. **Long-term debt.**

(a) **Funded debt.**—Indicate any amount falling due within one year.

(b) **Indebtedness to affiliates—Not current.**—State separately in the registrant's balance sheet that indebtedness which in the related consolidated balance sheet is (1) eliminated and (2) not eliminated.

(c) **Other long-term debt.**—Indicate whether secured. State separately (1) total of amounts due directors, officers, and principal holders of equity securities other than affiliates; and (2) other long-term debt, specifying any significant item. State separately by years, in the balance sheet or in a note therein referred to, the total amounts of the respective maturities for the five years following the date of the balance sheet.

21. **Other liabilities.**—State separately any significant amounts.

22. **Reserves, not shown elsewhere.**—State separately in the balance sheet the total of each major class. If assets are carried in excess of cost, the amount of such excess shall be shown as reserve for unrealized appreciation arising from revaluation of assets either here or as a separate item under caption 24—Surplus.

CAPITAL SHARES AND SURPLUS

23. **Capital shares.**—State in the balance sheet for each class of shares the title of issue, the number of shares authorized, and the number of shares outstanding and the capital share liability thereof. Show also the dollar amount, if any, of capital shares subscribed but unissued, and of subscriptions receivable thereon.

24. **Surplus.**—(a) Show in the balance sheet the division of this item into: (1) Paid-in surplus; (2) other capital surplus; and (3) earned surplus. If separate amounts for (1) and (2) are not reasonably determinable, these amounts may be combined. If undistributed earnings of subsidiaries are included, state the amount thereof parenthetically, or otherwise. However, in a consolidated statement, the preceding sentence shall have reference only to the undistributed earnings of subsidiaries not consolidated in such statement.

(b) If reserves have not been provided to take care of the difference between the amounts at which captions 7 and 8 are carried in the bal-



ance sheet in excess of the market or estimated value of such assets, show, in a note referred to in the balance sheet, the adjustment necessary to reflect such excess in the surplus account.

(c) An analysis of each surplus account setting forth the information prescribed in rule 11-02 shall be given for each period for which a profit and loss statement is filed in the form of a separate statement of surplus, and shall be referred to in the balance sheet. In the case of closed-end companies, as defined in the Investment Company Act of 1940, indicate clearly in this analysis gains or losses from transactions in securities of the person for which the statement is filed and show in a note (1) the number of shares and principal amount of bonds purchased during the period and the cost thereof, and (2) the number of reacquired shares and principal amount of bonds sold during the period, the cost, the amount received from sale, and the gain or loss realized.

### **Rule 6-03. Profit and Loss Statements.**

The profit and loss statements filed for persons to whom this article is applicable shall comply with the following provisions:

1. **Income.**—(a) State separately the total of income from (1) cash dividends, (2) interest, and (3) other income.

(b) As to dividends, state separately, if significant, the amount from (1) investments in securities of affiliates, (2) marketable securities, and (3) other securities.

(c) State as to any dividends other than cash, the basis on which they have been taken up as income and the justification, if any, for such action. If any such dividends received from affiliates have been credited to income in an amount different from that charged to income or earned surplus by the disbursing company, state the amount of such difference and explain.

(d) As to interest, state separately, if significant, the amount from (1) investments in securities of affiliates and indebtedness of affiliates, (2) marketable securities, and (3) other securities.

(e) Persons whose policy is to engage primarily in trading and who use, in determining their income for Federal income and excess profits tax purposes, opening and closing inventories on a basis prescribed by the United States Treasury Department regulations relating to the income tax may report under this caption, using a specially designated sub-caption, gains or losses called for under captions 10 and 11 below. In such case a note to the profit and loss statement shall indicate that the policy of the person is to engage primarily in trading.

2. **Expenses for supervision and management of investments.**—State separately (a) the total of management and other service fees

to unaffiliated organizations or persons; (b) the total of management and other service fees to affiliated organizations or persons, indicating in a note or otherwise the name of and amount applicable to each such organization or person accounting for 10 percent or more of the total included under this sub-caption; and (c) other expenses within the person's own organization in connection with research, selection, and supervision of investments. If paid in other than cash, state the details in a note referred to in the profit and loss statement.

3. **Taxes—Other than income and excess profits taxes.**

4. **Other expenses.**—State separately by class of expense any significant amounts.

5. **Balance before interest, and debt discount and expense.**

6. **Interest and debt discount and expense.**—State separately (a) interest on funded debt, (b) amortization of debt discount and expense or premium, and (c) other interest.

7. **Balance of income before provision for income and excess profits taxes.**

8. **Provision for income and excess profits taxes.**—State separately (a) Federal normal income and excess profits taxes, (b) other Federal income taxes, and (c) other income taxes. See caption 15 (a) below.

9. **Balance of income after provision for income and excess profits taxes.**—See caption 15 below.

10. **Gain or loss realized from security transactions, before provision for income and excess profits taxes.**—State separately the net of gains and losses arising from transactions in (a) investments in securities of affiliates, and (b) other investments in securities. State here or in a note herein referred to the principle followed in determining the cost of securities sold, *e. g.*, “average cost” or “first-in, first-out”. State in consolidated and combined statements the principle followed by each subsidiary consolidated or combined, if different principles are followed. See caption 1 (e) above.

11. **Gain or loss realized from transactions in other investments, before provision for income and excess profits taxes.**—State here the net of gains and losses arising from transactions in other investments. See caption 1 (e) above.

12. **Total of gain or loss realized from transactions in securities and other investments, before provision for income and excess profits taxes.**

13. **Provision for income and excess profits taxes.**—See captions 8 and 15 (a).

14. **Gain or loss realized from transactions in securities and other investments after provision for income and excess profits taxes.**—See caption 15.

**15. Net income and profit for period.**—(a) This caption may be omitted provided caption 9 is changed to **Net income after provision for income and excess profits taxes but before profit or loss from transactions in securities and other investments.** In such case caption 9 and caption 14 may be carried to the surplus account in separate amounts. If, however, caption 15 is shown in the statement, income and excess profits taxes may be shown as a deduction from either or both captions 7 or 12 or from caption 15.

(b) Proceeds from the sale of new capital shares which represent payment for participation in accrued undivided earnings shall not be included in the profit and loss statement.

(c) Gain or loss from transactions in securities of the person for which the statement is filed shall be carried direct to the appropriate surplus account.

(d) Dividends applicable to an issuer's own capital shares held in its treasury or in sinking or other special funds shall not be treated as income.

#### **Rule 6-04. What Schedules Are To Be Filed.**

(a) Except as expressly provided otherwise in the applicable form—

(1) The schedules specified below in this rule as schedules VII, IX, XI, XII, and XIII shall be filed as of the date of the most recent balance sheet filed for each person and for each group for which separate statements are filed. Such schedules shall be certified if the related balance sheet is certified.

(2) All other schedules specified below in this rule shall be filed for each period for which a profit and loss statement is filed. Such schedules shall be certified if the related profit and loss statement is certified. However, any such schedule in support of a balance sheet caption may be omitted if the balances as of the related balance sheet date and both the additions and the deductions during the period for which profit and loss statements are filed were not significant.

(b) The information required in schedules for the registrant, for the consolidated subsidiaries and for the registrant and its subsidiaries consolidated may be presented in the form of a single schedule, provided that items pertaining to the registrant and to each consolidated subsidiary or group for which separate statements are required are separately shown and that such single schedule affords a properly summarized presentation of the facts.

(c) Reference to the schedules shall be made against the appropriate captions of the balance sheet and the profit and loss statement.

**Schedule I. Amounts due from directors, officers, and principal holders of equity securities other than affiliates.**—The schedule prescribed by rule 12-03 shall be filed with respect to each person

among the directors, officers, and principal holders of equity securities other than affiliates, from whom an aggregate indebtedness of more than \$20,000 or 1 percent of total assets, whichever is less, is owed, or at any time during the period for which related profit and loss statements are filed was owed. For the purposes of this schedule, include in the determination of the amount of indebtedness all amounts due from such persons.

**Schedule II. Investments in securities—Marketable.**—The schedule prescribed by rule 12-19 shall be filed in support of caption 7 (a) of each balance sheet.

**Schedule III. Investments in securities—Other than marketable securities.**—The schedule prescribed by rule 12-20 shall be filed in support of caption 7 (b) of each balance sheet.

**Schedule IV. Investments—Other than securities.**—The schedule prescribed by rule 12-21 shall be filed in support of caption 8 of each balance sheet.

**Schedule V. Investments in securities of affiliates.**—The schedule prescribed by rule 12-22 shall be filed in support of caption 9 of each balance sheet.

**Schedule VI. Indebtedness of affiliates.**—The schedule prescribed by rule 12-05 shall be filed in support of caption 10 of each balance sheet. This schedule and schedule VIII may be combined if desired.

**Schedule VII. Funded debt.**—The schedule prescribed by rule 12-10 shall be filed in support of caption 20 (a) of each balance sheet.

**Schedule VIII. Indebtedness to affiliates—Not current.**—The schedule prescribed by rule 12-11 shall be filed in support of captions 20 (b) and 21 (a) of each balance sheet. This schedule and schedule VI may be combined if desired.

**Schedule IX. Guarantees of securities of other issuers.**—The schedule prescribed by rule 12-12 shall be filed with respect to any guarantees of securities of other issuers by the person for which the statement is filed.

**Schedule X. Reserves.**—The schedule prescribed by rule 12-13 shall be filed in support of all reserves included in the balance sheet.

**Schedule XI. Capital shares.**—The schedule prescribed by rule 12-14 shall be filed in support of caption 23 of each balance sheet.

**Schedule XII. Warrants or rights.**—The schedule prescribed by rule 12-15 shall be filed with respect to warrants or rights granted by the person for which the statement is filed to subscribe for or purchase securities to be issued by such person.

**Schedule XIII. Other securities.**—If there are any classes of securities not included in schedule VII, IX, XI, or XII, set forth in this schedule information concerning such securities corresponding to that required for the securities included in such schedules. Infor-

mation need not be set forth, however, as to notes, drafts, bills of exchange, or bankers' acceptances, having a maturity at the time of issuance of not exceeding one year.

**Schedule XIV. Income from Dividends—Equity in Net Profit and Loss of Affiliates.**—The schedule prescribed by rule 12-17 shall be filed for each period for which a profit and loss statement is filed. This schedule need not be filed, however, if all the information called for by rule 12-17 is included in the profit and loss or income statement.

## ARTICLE 6A. UNIT INVESTMENT TRUSTS

### Rule 6-10. Application of Article 6A.

This article shall be applicable to financial statements filed for unit investment trusts, including those which are issuers of periodic payment plan certificates, and financial statements filed for unincorporated management investment companies which are issuers of periodic payment plan certificates.

### Rule 6-11. Statements of Condition.

Statements of condition filed for persons to whom this article is applicable shall comply with the following provisions:

#### TRUST PROPERTY

1. **Investment in securities.**—The aggregate cost and the aggregate value of investments included under this caption and caption 2 below shall be shown in the statement of condition parenthetically or otherwise. The method used in determining the “cost” shall be stated. For the purpose of this rule 6-11, “value” has the meaning defined in Section 2 (a) (39) (B) of the Investment Company Act of 1940. State in the statement of condition for each caption the basis of determining the amount at which investments are carried.

(a) **Securities of investment companies.**—State separately (1) trust shares in trusts created or serviced by the depositor or sponsor of this trust; (2) trust shares in other trusts; and (3) securities of other investment companies.

(b) **Securities of other companies.**—State separately (1) marketable securities and (2) other securities.

2. **Investments other than securities.**—State separately each major class. See instructions to caption 1.

3. **Dividends and interest receivable.**

4. **Cash.**

5. **Other property.**—State separately each significant item. State the basis of determining the amounts.

#### LIABILITIES, TRUST SHARES, AND DISTRIBUTABLE FUNDS

6. **Liabilities.**—State separately amounts payable to (a) trustee and custodian; and (b) depositor, sponsor, and their associates. State separately any other significant items.

**7. Reserves not shown elsewhere.**—State separately each significant item. If the caption used for each reserve stated separately is not clearly indicative of the purpose for which the reserve was created, explain the purpose in a note referred to under this caption.

**8. Trust shares.**—State for each class of trust shares (a) the title of issue, the number of trust shares outstanding and the total cost to the investors of such trust shares; (b) the adjustment for market depreciation or appreciation; (c) other deductions from the total cost to the investors for fees, loads, and other charges; and (d) the net amount applicable to the investors. Explain in a note referred to under this caption the deductions for fees, loads, and other charges from the total cost to the investors.

**9. Balance of income and distributable funds applicable to trust shares.**—The amount shown here shall agree with that shown in caption 19 of the related statement of income and distributable funds.

#### **Rule 6-12. Statements of Income and Distributable Funds.**

The statements of income and distributable funds filed for persons to whom this article is applicable shall comply with the following provisions:

##### **INCOME**

**1. Distributions and dividends.**—State separately (a) distributions received on shares of investment trusts, and (b) dividends on other securities. Exclude any distribution or portion thereof received on shares of investment trusts which is known to represent the return of any amount invested in the shares upon which such distribution was paid. Also indicate the basis upon which dividends and distributions are taken into income (*e. g.*, “cash” or “accrual”; and if accrual whether as of declaration or record date); and, as to any distributions and dividends other than cash, the basis on which they have been taken up as income.

**2. Interest.**—State separately interest from (a) securities and (b) other sources.

**3. Other income.**—State separately by class of income each significant amount.

**4. Total income.**

##### **EXPENSES**

**5. Taxes.**

**6. Fees of the trustee and custodian.**

**7. Fees of the depositor and sponsor.**

**8. Legal fees and expenses.**—State separately each significant amount.

9. **Auditing fees and expenses.**—State separately each significant amount.

10. **Other expenses.**—State separately by class of expense each significant amount.

11. **Total expenses.**

12. **Balance of income before gain or loss realized from security transactions.**—See caption 13 below.

13. **Gain or loss realized from security transactions.**—State separately the net of gains and losses arising from transactions in (a) trust shares of trusts created or serviced by the depositor or sponsor of this trust; (b) trust shares in other trusts; and (c) other investments in securities. State here or in a note herein referred to the principle followed in determining the cost of securities sold, *e. g.*, “average cost” or “first-in, first-out.” This caption, and caption 12 above, may be omitted by unit investment trusts provided the information herein required is contained in Schedule III of Rule 6-13, and provided there be given in a footnote in the financial statements (a) the aggregate amount received from sale of securities; (b) the aggregate cost of the securities sold; (c) the realized gain or loss thereon; and (d) the principle followed in determining the cost of securities sold, *e. g.*, “average cost” or “first-in, first-out.”

14. **Net income for the period.**—If captions 12 and 13 are omitted by unit investment trusts, this caption shall be changed to **Net income for the period excluding gain or loss realized from security transactions.**

15. **Balance of income and distributable funds applicable to trust shares at the beginning of the period.**

16. **Additions to distributable funds.**—State separately (a) that portion from the sale of trust shares which represents payments for participation in the balance of income and distributable funds; and (b) any other significant amounts.

17. **Deductions other than distributions.**—State separately (a) amounts withheld (1) for reserves and (2) for investments, and (b) any other significant amounts.

18. **Distributions to shareholders.**—For each class of trust shares state the amount per share and in the aggregate. State, as to any distributions other than cash, the nature of the distributions and the basis of determining the amount charged to income and distributable funds. Indicate here or in a note herein referred to the aggregate distributions made upon the surrender and cancellation of trust shares which represent income and distributable funds applicable thereto at the date of surrender and cancellation.

19. **Balance of income and distributable funds applicable to trust shares at close of the period.**



**Rule 6-13. What Schedules Are To Be Filed.**

(a) Schedule IV, specified below, shall be filed as of the date of the most recent statement of condition filed. The other schedules specified shall be filed for each period for which a statement of income and distributable funds is filed. All schedules shall be certified.

(b) Reference to the schedules shall be made against the appropriate captions of the statement of condition and the statement of income and distributable funds.

**Schedule I. Investment in securities.**—The schedule prescribed by Rule 12-33 shall be filed in support of caption 1 of each statement of condition and of captions 1 and 2 of each statement of income and distributable funds.

**Schedule II. Trust shares.**—The schedule prescribed by Rule 12-34 shall be filed in support of caption 8 of each statement of condition.

**Schedule III. Gain or loss from transactions in trust property.**—A schedule shall be submitted showing for each investment set forth in Schedule I in which there were any sales or redemptions during the period: (a) the aggregate amount received from sale; (b) the aggregate cost of the investment sold; and (c) the realized gain or loss thereon.

**Schedule IV. Allocation of trust assets to series of trust shares.**—If the trust assets are specifically allocated to different series of trust shares, and if such allocation is not shown in the statement of condition in columnar form or by the submission of separate statements for each series of trust shares, a schedule shall be submitted showing the amount of trust assets, indicated by each statement of condition filed, which is applicable to each series of trust shares.

**Schedule V. Allocation of trust income and distributable funds to series of trust shares.**—If the trust income and distributable funds are specifically allocated to different series of trust shares and if such allocation is not shown in the statement of income and distributable funds in columnar form or by the submission of separate statements for each series of trust shares, a schedule shall be submitted showing the amount of income and distributable funds, indicated by each statement of income and distributable funds filed, which is applicable to each series of trust shares.

## ARTICLE 7. INSURANCE COMPANIES OTHER THAN LIFE AND TITLE INSURANCE COMPANIES

### Rule 7-01. Application of Article 7.

This article shall be applicable to financial statements filed for insurance companies other than life and title insurance companies.

### Rule 7-02. General Requirement.

Except as otherwise provided in this article, persons subject to this article shall follow the rules and instructions governing the definition and computation of items in annual statements to their State regulatory authority. If the registrant deviates from such rules and instructions of its State regulatory authority, except in accordance with the provisions of this article, the reason for and effect of such deviation shall be stated.

### Rule 7-03. Balance Sheets.

Balance sheets filed for insurance companies shall comply with the following provisions:

#### ASSETS AND OTHER DEBITS

1. **Real estate owned.**
2. **Mortgage loans on real estate.**—State separately (a) first liens and (b) other than first liens.
3. **Bonds.**
4. **Investments in stocks other than stocks of affiliates.**
5. **Investments in stocks of affiliates.**
  - (a) **In insurance companies.**—Include only stocks of insurance companies under this subcaption.
  - (b) **In other affiliates.**—Include under this subcaption stocks of other affiliates. If any such “other affiliate” controls insurance companies the stock of such “other affiliate” shall be included under this subcaption, and the fact of such control shall be stated in a note to the balance sheet.
6. **Cash and cash items.**—State separately (a) cash on hand, demand deposits, and time deposits; (b) call loans; and (c) deposits in closed banks or deposits under withdrawal restrictions. Amounts shall be included under (c) at not more than the estimated amount recoverable.

7. **Agents' balances and/or gross premiums in course of collection.**

8. **Due from other insurance companies.**—Include reinsurances recoverable on losses paid, etc.; do not include premium balances.

9. **Interest, rent, etc., due and accrued.**

10. **Other assets.**—State separately any significant amounts.

**Total admitted assets.**

#### LIABILITIES, CAPITAL STOCK, AND SURPLUS

11. **Net reserve for unpaid losses and claims.**

12. **Estimated expenses of investigation and adjustment of unpaid claims.**

13. **Unearned premiums.**

14. **Contingent commissions and other commissions and brokerage due or accrued.**

15. **Salaries, rent, taxes, interest, etc., due or accrued.**

16. **Due and to become due for borrowed money.**

17. **Dividends declared and unpaid.**—(a) To stockholders and (b) to policyholders.

18. **Other liabilities.**—State separately any significant items.

19. **Capital stock.**—State in the balance sheet for each class of stock the title of issue, the number of shares authorized, and the number of shares outstanding and the capital stock liability thereof. Show also the dollar amount, if any, of capital stock subscribed but unissued, and of subscriptions receivable thereon.

20. **Surplus.**—(a) Show in the balance sheet the division of this item into (1) paid-in surplus, (2) earned surplus, and (3) unrealized surplus arising from revaluation of assets. However, if, in the accounts, separate balances for these are not shown at the beginning of the period of report, *i. e.*, if the company has not, up to the opening of the period of report, differentiated in its accounting for surplus as indicated above, then the unsegregated items may be stated in one amount.

(b) An analysis of each surplus account setting forth the information prescribed in rule 11-02 shall be given for each period for which a profit and loss statement is filed, as a continuation of the related profit and loss statement or in the form of a separate statement of surplus, and shall be referred to in the balance sheet. In this statement caption 3, **Other additions to surplus**, shall be subdivided to show (1) unrealized profit on bonds and stocks from change in market values, (2) unrealized profit on other investments from change in market values, and (3) all others, designating clearly the nature thereof. Likewise, caption 4, **Deductions from surplus other than dividends**,

shall be subdivided to show (A) unrealized loss on bonds and stocks from changes in market values, (B) unrealized loss on other investments from changes in market values, and (C) all others, designating clearly the nature thereof.

**Total.**

#### SPECIAL BALANCE SHEET NOTES

1. State in a note whether or not the company during the period of report wrote mortgage guarantee surety bonds. If so, state the amount of liability in force on mortgage guarantee surety bonds as of the date of the balance sheet.

2. Assets shall be set forth in the balance sheet at admitted asset values. Book values of assets included under captions 1, 2, 3, 4, 5 (a), and 5 (b) shall be shown parenthetically or in a note. There shall also be added as a note to the balance sheet the following:

"The term 'admitted asset value' means the 'asset value' at which the respective assets are permitted to be reported to the respective domiciliary State regulatory authority for balance sheet purposes in the annual report in accordance with the rules and regulations of such regulatory authority.

"The term 'non-admitted assets' means 'assets' other than assets which are so permitted to be reported."

#### **Rule 7-04. Statement of Non-Admitted Assets.**

(a) In a separate statement accompanying the balance sheet, show all non-admitted assets, segregated according to the captions used in the annual statement filed with the respective domiciliary State regulatory authority. Designate by appropriate symbol all non-admitted assets which have been deducted in arriving at the admitted asset value of any item shown in the balance sheet.

(b) File schedules giving the information specified for the non-admitted assets of the categories enumerated below:

(1) **Bills receivable.**—File a list of bills and notes receivable exceeding \$25,000, giving explanation of how acquired, and present status of transactions.

(2) **Advances on contracts.**—File an itemized list with a brief explanation of advances on each contract.

(3) **Accounts of agents and others.**—File a list of (A) all agents' or brokers' accounts over \$10,000; (B) individual assured accounts over \$5,000; and (C) indicate any person so listed which is controlled by any director or officer of the registrant, any principal underwriter of any securities of the registrant sold by the registrant within the past three fiscal years, or any principal holder of equity securities; and give the original date on which the obligation was incurred.

**Rule 7-05. Profit and Loss or Income Statements.**

Profit and loss or income statements filed for insurance companies shall comply with the following provisions:

**UNDERWRITING PROFIT OR LOSS****1. Premiums earned.**

**2. Losses incurred.**—State the total losses incurred during the year, computed on the following basis: For the first year of a company's existence, add losses paid and losses outstanding (reported but not paid). For subsequent years, deduct losses outstanding at the end of the previous period from the loss reserves at the end of the present year, and add losses paid during the year.

**3. Loss expense incurred.**—Add loss expenses paid during the current year to the estimate of expenses and adjustments of unpaid claims, deducting estimate of expenses and adjustments of unpaid claims at the end of the previous year.

**4. Balance.**

**5. Commissions and brokerage—Incurred.**—State commissions and brokerage less amount received on return premiums and reinsurance.

**6. Salaries and all other compensation of directors and officers—Incurred.**

**7. All other salaries of employees and agents not paid by commission—Incurred.**

**8. Taxes, licenses, and fees—Incurred.**—State the total amount incurred, excluding income taxes.

**9. All other underwriting expenses—Incurred.**—State the total amount of all other underwriting expenses incurred not included above. Do not include investment expense under this caption.

**10. Profit or loss from underwriting during the period.**

**11. Other underwriting profit or loss.**—Include income or loss from unusual or nonrecurring contingent profits or reinsurance agreements, pools, and other miscellaneous contracts, licenses, and agreements, etc. Give in a note a brief explanation of any items included in this account.

**12. Total profit or loss from underwriting.****INVESTMENT INCOME OR LOSS****13. Rents earned.****14. Interest earned on mortgages.****15. Interest earned on bonds.**

**16. Dividends.**—(a) From stocks other than stocks of affiliates and (b) from stocks of affiliates.

17. **Interest earned on deposits.**
18. **Other investment income.**—State separately any significant items.
19. **Profit on sale or maturity of investments.**
20. **Total investment income.**
21. **Investment expense.**—Include interest on incumbrances, real estate expense, supervisory service, and other fees, etc. State separately any significant items.
22. **Loss on sale or maturity of investments.**
23. **Other investment loss.**—State separately any significant items.
24. **Net investment income or loss.**—Unrealized profit or loss on bonds, stocks, or other investments resulting from change in market values shall be carried direct to the appropriate surplus account.
25. **Net profit or loss before provision for income taxes.**
26. **Provision for income taxes.**—State separately (a) Federal normal income taxes, (b) other Federal income taxes, and (c) other income taxes.
27. **Net income or loss after provision for income taxes.**

#### **Rule 7-06. What Schedules Are To Be Filed.**

(a) Except as provided otherwise in the applicable form—

(1) The schedules specified below in this rule as schedules VIII, IX, and X and part I of schedules I, II, III, IV, and VI shall be filed as of the date of the most recent balance sheet filed for each person or group. Such schedules shall be certified if the related balance sheet is certified.

(2) All other schedules specified below in this rule shall be filed for each period for which a profit and loss statement is filed. Such schedules shall be certified if the related profit and loss statement is certified.

(b) Reference to the schedules shall be made against the appropriate captions of the balance sheet and the profit and loss statement.

**Schedule I. Real estate owned and rents earned.**—The schedule prescribed by rule 12-23 shall be filed in support of caption 1 of each balance sheet and caption 13 of each profit and loss statement.

**Schedule II. Mortgage loans on real estate and interest earned on mortgages.**—The schedule prescribed by rule 12-24 shall be filed in support of caption 2 of each balance sheet and caption 14 of each profit and loss statement.

**Schedule III. Bonds and interest earned on bonds.**—The schedule prescribed by rule 12-25 shall be filed in support of caption 3 of each balance sheet and caption 15 of each profit and loss statement.

**Schedule IV. Stocks—Other than stocks of affiliates and income from dividends thereon.**—The schedule prescribed by rule 12-26 shall

be filed in support of caption 4 of each balance sheet and caption 16 (a) of each profit and loss statement.

**Schedule V. Summary of investments in securities—Other than securities of affiliates.**—The summary schedule prescribed by rule 12-27 shall be filed in conjunction with schedules III and IV.

**Schedule VI. Investments in stocks of affiliates and income from dividends thereon.**—The schedule prescribed by rule 12-28 shall be filed in support of caption 5 of each balance sheet and caption 16 (b) of each profit and loss statement.

**Schedule VII. Premiums, losses, and commissions.**—The schedule prescribed by rule 12-29 shall be filed in support of caption 13 of each balance sheet and captions 1, 2, 3, 5, 6, 7, 8, and 9 of each profit and loss statement.

**Schedule VIII. Due and to become due for borrowed money.**—The schedule prescribed by rule 12-30 shall be filed in support of caption 16 of each balance sheet.

**Schedule IX. Capital shares.**—The schedule prescribed by rule 12-14 shall be filed in support of caption 19 of each balance sheet.

**Schedule X. Other securities.**—If there are any classes of securities not included in schedule IX, set forth in this schedule information concerning such securities corresponding to that required for the securities included in such schedule. Information need not be set forth, however, as to notes, drafts, bills of exchange, or bankers' acceptances, having a maturity at the time of issuance of not exceeding one year.

**Schedule XI. Profit and loss on sale or maturity of investments.**—The schedule prescribed by rule 12-31 shall be filed in support of captions 19 and 22 of each profit and loss statement.

## ARTICLE 8. COMMITTEES ISSUING CERTIFICATES OF DEPOSIT

### Rule 8-01. Application of Article 8.

This article shall be applicable to financial statements filed for committees issuing certificates of deposit.

### Rule 8-02. Statements of Assets and Liabilities.

Statements of assets and liabilities shall be in the following form:

STATEMENT OF ASSETS AND LIABILITIES	
As of _____	
ASSETS	LIABILITIES
Cash _____	Notes payable:
Receivables (specify) _____	To banks (detail security) _____
Advances to committee mem- bers or secretary _____	To others (specify and de- tail security) _____
Investments in securities (speci- fy) <sup>1</sup> _____	Accounts payable _____
Miscellaneous other assets (specify) <sup>2</sup> _____	Other liabilities <sup>4</sup> _____
Subtotal _____	Total _____
Expenses of committee charge- able against deposited securi- ties <sup>3</sup> _____	
Total _____	

<sup>1</sup> Each issue of securities shall be shown either here or in a schedule herein referred to. State the basis of determining the amount at which carried and, if available, the aggregate amount at current market quotations.

<sup>2</sup> Each class of "Miscellaneous Other Assets", if significant, shall be specified either here or in a schedule herein referred to. State the basis for determining the amount at which carried.

<sup>3</sup> State in a note to this item any limits fixed by the deposit agreement or otherwise upon the compensation and expenses of the Committee, and also the nature and extent of any lien of the Committee on the deposited securities for such compensation and expenses.

<sup>4</sup> (a) Each class of "Other Liabilities" shall be specified either here or in a schedule herein referred to.

(b) In a note describe briefly the nature of any commitment for compensation or other expenditures not included in "Other Liabilities", and state the amount or any basis agreed upon for determining the amount thereof. Describe briefly the general nature of any services rendered to the Committee, the cost of which is not included in "Other Liabilities" and as to which no commitment for compensation has been made. Separate descriptions of the services of the Committee, the secretary thereof, counsel, accountants, appraisers, depository, and persons performing similar functions shall be given.



**Rule 8-03. Statements of Cash Receipts and Disbursements.**

Statements of cash receipts and disbursements shall be in the following form:

**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS <sup>1</sup>**

<b>RECEIPTS</b>		<b>DISBURSEMENTS</b>	
Proceeds from loans and advances <sup>2</sup> —		For committee expenses—	
Against deposited securities—		Compensation and fees to:	
ties—		Committee members—	
Other —		Secretary—	
		Attorneys—	
Assessments—		Solicitors for deposits—	
On withdrawn securities—		Depository —	
Others (specify) —		Others <sup>3</sup> —	
Total—		Total—	
		Interest —	
Other receipts—		Other committee expenses <sup>3</sup> —	
Dividends—		Total committee expenses—	
Interest —			
All other (specify) —			
Total—		Other disbursements—	
		Purchase of securities	
		called for deposit—	
		Purchase of other securities —	
		All other (specify) —	
		Total other disbursements —	
		Total disbursements—	
Total receipts—			

**SUMMARY**

Cash balance at beginning of period—	
Add total receipts—	
Total—	
Deduct total disbursements—	
Cash balance at close of period <sup>4</sup> —	

<sup>1</sup> If statements are required for different periods the statements shall be presented in columnar form, if practicable.

<sup>2</sup> Include under this caption only advances to be reimbursed by the Committee. Under each of the two subcaptions state separately amounts received from (a) banks, (b) original underwriters of issues called for deposit, (c) individuals, (d) committee members and (e) others (specify).

<sup>3</sup> Such expenses shall be specified in reasonable detail either here or in a schedule herein referred to, indicating amounts for clerical, statistical, and other expenses paid to (a) original underwriters of issues called for deposit and any affiliates of such underwriters and (b) affiliates of committee members.

<sup>4</sup> The cash balance at the close of the most recent period shall agree with the cash shown in the statement of assets and liabilities as of the same date.

## ARTICLE 9. BANK HOLDING COMPANIES AND BANKS

### Rule 9-01. Application of Article 9.

(a) **Bank holding companies.**—Financial statements filed for bank holding companies shall be prepared in accordance with article 5 and rules 9-02, 9-03, and 9-04 of this article.

(b) **Banks.**—Financial statements filed for banks shall be prepared in accordance with rule 9-05 of this article.

### Rule 9-02. Balance Sheets of Bank Holding Companies.

(a) Notwithstanding the provisions of rule 5-02, current assets and current liabilities need not be separately classified as such.

(b) Any amounts with respect to affiliated banks includible under the following captions prescribed by rule 5-02 shall be set forth separately under the respective captions:

(1) Caption 1—**Cash and cash items.**

(2) Caption 9—**Securities of affiliates.**

(3) Caption 10—**Indebtedness of affiliates—Not current.**

(4) Subdivision (a) of caption 22—**Notes payable.**

(5) Subdivisions (c) and (e) of caption 25—**Other current liabilities.**

(6) Caption 29—**Indebtedness to affiliates—Not current.**

(c) The segregated amounts shown under caption 9, **Securities of affiliates**, applicable to securities of affiliated banks shall preferably be stated at net tangible asset value.

### Rule 9-03. Profit and Loss or Income Statements of Bank Holding Companies.

The following captions shall be in complete substitution for captions 1A to 8, inclusive, of rule 5-03.

1. **Income.**—(a) State separately the total of income from (1) cash dividends, (2) interest, (3) management and service fees, and (4) other income (specifying any significant items), exclusive of profits and income under caption 9, **Profits on securities**, and caption 10, **Miscellaneous other income.**

(b) As to dividends, state separately, if significant, the amount from (1) securities of affiliates, (2) marketable securities, and (3) other security investments.

(c) State as to any dividends other than cash, the basis on which they have been taken up as income and the justification, if any, for

such action. If any such dividends received from affiliates have been credited to income in an amount different from that charged to income or earned surplus by the disbursing company, state the amount of such difference and explain.

(*d*) As to interest, state separately, if significant, the amount from (1) securities of affiliates and indebtedness of affiliates, (2) marketable securities, and (3) other security investments.

2. **Expenses for salaries.**—State separately the total of salaries (*a*) to directors and officers, and (*b*) to others. If paid in other than cash, state the details in a note referred to in the profit and loss statement.

3. **Taxes.**—Other than income and excess profits taxes.

4. **Other expenses.**—State separately by class of expense any significant amounts.

5. **Balance.**

#### **Rule 9-04. What Schedules Are To Be Filed for Bank Holding Companies.**

The following special provisions shall be applicable to the schedules specified in rule 5-04:

**Schedule I.**—The schedule prescribed by rule 12-02 shall be filed in support of captions 2 and 11 of each balance sheet.

**Schedule III.**—The caption of the schedule prescribed by rule 12-04 shall be changed to read as follows: **Schedule III. Investments in securities of affiliates other than banks.**

**Schedule III-A.—Investments in securities of affiliates—Banks.**—The schedule prescribed by rule 12-32 shall be filed for each balance sheet in support of the special subdivision of caption 9 prescribed by rule 9-02 (*b*).

#### **Rule 9-05. Statements of Banks.**

(*a*) Statements of banks need not be certified.

(*b*) Statements of banks shall be prepared from, and in substantially the same form as, the “Reports of Condition” and the “Reports of Earnings and Dividends” prescribed by the Comptroller of the Currency or the Board of Governors of the Federal Reserve System or the Federal Deposit Insurance Corporation. Such statements shall be accompanied by the schedules called for in such “Reports of Condition” except the schedules relating to (1) the names of officers and directors, liabilities, if any, and par value of capital owned; (2) loans or balances exceeding the limit prescribed by State law; (3) contingent liabilities; and (4) branches and branch offices. In case any bank did not report to one of such Federal authorities, the financial data concerning such bank shall be drawn from the

reports required by its respective State authority, and shall be commensurate with that required concerning a bank that does report to one of such Federal authorities.

(c) Each statement of a bank and each combined statement of bank subsidiaries required to be filed shall be supplemented by an attached schedule showing the following:

(1) Book value, and market, or, if there is no market, appraised value, separately stated, of (A) direct obligations of, and obligations fully guaranteed by, the United States Government; (B) investments in affiliated companies principally engaged in holding banking premises or other real estate; and (C) other bonds, stocks, and securities.

(2) Estimated losses not elsewhere provided for on the following bank assets, separately stated: (A) Loans and discounts; (B) bank premises; (C) other real estate; and (D) other assets.

(3) The total of loans and other advances to officers and directors of the registrant and principal holders of equity securities of the registrant.

## ARTICLE 10. NATURAL PERSONS

### Rule 10-01. Financial Statements of Natural Persons.

A natural person may file the following financial statements in place of any balance sheets and profit and loss statements otherwise required in the applicable form or instructions thereto:

(a) A statement of his assets and liabilities as of a date within 93 days and statements of his income (1) for the calendar year ended prior to such statement of assets and liabilities, and (2) for the two preceding calendar years if the applicable form requires profit and loss statements for three fiscal years. These statements shall be set forth in reasonable detail and need not be certified.

(b) Balance sheets and profit and loss or income statements of—

- (1) Every business of which he is sole proprietor;
- (2) Every partnership in which he has a controlling interest;
- (3) Every business trust, unincorporated association, or similar business organization in which he has a controlling interest; and
- (4) Every corporation in which he owns directly or indirectly securities representing more than fifty percent of the voting power.

(c) Financial statements need not be filed, however, with respect to any corporation or other business organization designated in (3) or (4) of paragraph (b) above if both of the following conditions exist:

(1) His total investment in such corporation or business organization does not exceed five percent of his total assets; and,

(2) His total income from such corporation or business organization does not exceed five percent of his gross income:

*Provided*, That his aggregate investment in all such corporations and business organizations whose statements are omitted pursuant to this paragraph (c) shall not exceed fifteen percent of his total assets, and that his aggregate income from all such corporations and business organizations shall not exceed fifteen percent of his gross income.

(d) Financial statements required by paragraph (b) above shall be for the dates and periods prescribed for the financial statements of an unconsolidated subsidiary in the applicable form. Such statements shall also conform, so far as practicable, to all other requirements as to financial statements, including requirements as to certification, as set forth in such form.

## **ARTICLE 11. CONTENT OF STATEMENTS OF SURPLUS**

### **Rule 11-01. Application of Article 11.**

This article prescribes the content of the statements of surplus specified in rules 5-02 (caption 34), 6-02 (caption 24), and 7-03 (caption 20).

### **Rule 11-02. Statement of Surplus.**

The analysis shall be given as to each class of surplus set forth in the related balance sheet.

1. **Balance at beginning of period.**—(a) The balance at the beginning of the period of report may be as per the accounts except in the case of investment companies. Such companies may accept the balance at January 1, 1925, as per the accounts.

(b) If the schedule is filed as part of an annual or other periodic report and the balances at the beginning of the period differ from the closing balances, as filed for the previous fiscal period, state the difference and explain.

2. **Net income or loss from profit and loss statement.**

3. **Other additions to surplus.**—Specify. If two or more of the classes of surplus specified in the rule as to the form and content of the particular balance sheet are stated in one amount, the nature of other additions to surplus (caption 3) and of other deductions from surplus (caption 4) shall nevertheless be so designated as to indicate clearly their classification in accordance with such applicable rule.

4. **Deductions from surplus other than dividends.**—Specify. See caption 3.

5. **Dividends.**—For each class of shares state the amount per share and in the aggregate.

(a) **Cash.**

(b) **Other.**—Specify.

6. **Balance at close of period.**—The balance at the close of the most recent period shall agree with the related balance sheet caption.

## ARTICLE 12. FORM AND CONTENT OF SCHEDULES

### Rule 12-01. Application of Article 12.

This article prescribes the form and content of the schedules required by rules 5-04, 6-04, 7-06, and 9-04.

### Rule 12-02. Marketable Securities—Other Security Investments.

Column A	Column B	Column C	Column D
Name of issuer and title of issue <sup>1</sup>	Number of shares or units—principal amount of bonds and notes	Amount at which carried in balance sheet <sup>2</sup>	Value based on current market quotations at balance sheet date

<sup>1</sup> (a) Each issue shall be stated separately, except that reasonable groupings, without enumeration, may be made with respect to (1) securities issued or guaranteed by the United States Government and (2) investments as to which the aggregate amount carried in column C is not more than two percent of total assets.

(b) In the case of bank holding companies group separately (1)

securities of banks and (2) other securities, and in column C show totals for each group.

<sup>2</sup> State the basis of determining the amounts in column C. Column C shall be totaled to agree with the respective balance sheet captions.

Rule 12-03. Amounts Due From Directors, Officers, and Principal Holders of Equity Securities Other Than Affiliates.

Column A	Column B	Column C	Column D		Column E
Name of debtor	Balance receivable at beginning of period <sup>1</sup>	Additions	Deductions		Balance receivable at close of period
			(1)	(2)	
			Amounts written off	Collections <sup>2</sup>	Current Not current

<sup>1</sup> The balance at the beginning of the period of report may be as per the accounts.

<sup>2</sup> If collection was other than in cash, explain.



## Rule 12-04. Investments in Securities of Affiliates.

Column A	Column B		Column C		Column D		Column E	
	Balance at beginning of period <sup>1</sup>		Additions		Deductions		Balance at close of period	
	(1) Number of shares or units. Principal amount of bonds and notes	(2) Amount in dollars	(1) Number of shares or units. Principal amount of bonds and notes	(2) Amount in dollars <sup>3</sup>	(1) Number of shares or units. Principal amount of bonds and notes	(2) Amount in dollars <sup>4</sup>	(1) Number of shares or units. Principal amount of bonds and notes	(2) Amount in dollars
Name of issuer and title of issue <sup>1</sup>								

<sup>1</sup> (a) Group separately securities of (1) subsidiaries consolidated; (2) subsidiaries not consolidated; and (3) other affiliates, showing shares and bonds separately in each case. Within each group major investments shall be stated separately. Reasonable grouping without enumeration may be made of other investments.

(b) Those foreign investments, the enumeration of which would be detrimental to the registrant, may be grouped.

<sup>2</sup> The balance at the beginning of the period of report may be as per the accounts.

<sup>3</sup> If the cost of additions in column C represents other than cash expenditure, explain. If acquired from an affiliate (and not an original issue of that affiliate) at other than cost to the affiliate, show such cost, provided the acquisition by the affiliate was within two years prior to the acquisition by the person for which the statement is filed.

<sup>4</sup> State: (a) Cost of items sold and how determined; (b) amount received (if other than cash, explain); and (c) disposition of resulting profit or loss.

Rule 12-05. Indebtedness of Affiliates.

Column A		Column B	Column C
Name of affiliate <sup>1</sup>		Balance receivable at beginning of period <sup>2</sup>	Balance receivable at close of period

<sup>1</sup> Affiliates shall be grouped as in the related schedules required for investments in securities of affiliates. The information called for may be shown, however, in total for each column for any two or more totally-held subsidiaries, provided the number of subsidiaries so grouped is stated.

<sup>2</sup> The balance at the beginning of the period of report may be as per the accounts.

**Rule 12-06. Property, Plant, and Equipment.<sup>1</sup>**

Column A	Column B	Column C	Column D	Column E	Column F
Classification <sup>2</sup>	Balance at beginning of period <sup>3</sup>	Additions at cost <sup>4</sup>	Retirements or sales <sup>5</sup>	Other changes—debit and/or credit—describe <sup>6</sup>	Balance at close of period

<sup>1</sup> If the financial statements are being filed as part of an annual or other periodic report, comment briefly on any significant and unusual additions, abandonments, or retirements, or any significant and unusual changes in the general character and location, of principal plants and other important units, which may have occurred within the period.

<sup>2</sup> (a) Show by major classifications such as land, buildings, equipment, or leaseholds. If such classification is not present or practicable, this may be stated in one amount. The additions included in column C shall, however, be segregated in accordance with an appropriate classification. If property, plant, and equipment abandoned is carried at other than a nominal amount indicate, if practicable, the amount thereof and state the reasons for such treatment. Items of minor importance may be included under a miscellaneous caption.

(b) **Public utility companies.**—A public utility company shall, to the extent practicable, classify utility plant by the type of service rendered (such as electric, gas, transportation, and water) and shall state separately under each of such service classifications the major subclassifications of utility plant accounts.

<sup>3</sup> The balance at the beginning of the period of report may be as per the accounts.

<sup>4</sup> If the changes in property accounts in column C represent anything other than additions from acquisitions, state clearly the nature of the changes and the other accounts affected. If cost of property additions represents other than cash expenditures, explain. If acquired from an affiliate at other than cost to the affiliate, show such cost, provided the acquisition by the affiliate was within two years prior to the acquisition by the person for which the statement is filed.

<sup>5</sup> If changes in column D are stated at other than cost, explain if practicable.

<sup>6</sup> State clearly the nature of the changes and the other accounts affected. If provision for depreciation, depletion, and amortization of property, plant, and equipment is credited in the books directly to the asset accounts, the amounts shall be stated in column E with explanations, including the accounts to which charged.

**Rule 12-07. Reserves for Depreciation, Depletion, and Amortization of Property, Plant, and Equipment.<sup>1</sup>**

Column A	Column B	Column C		Column D		Column E
Description <sup>2</sup>	Balance at beginning of period <sup>3</sup>	Additions		Deductions from reserves		Balance at close of period
		(1) Charged to profit and loss or income	(2) Charged to other accounts—describe	(1) Retirements, renewals, and replacements	(2) Other—describe	

<sup>1</sup> (a) If other reserves are created in lieu of depreciation reserves, the same information shall be given with respect to them.

(b) Insofar as amounts for depreciation, depletion, and amortization are credited to the property accounts, such amounts shall be shown in the schedule of property, plant, and equipment, as there required.

<sup>2</sup> If practicable, reserves shall be shown to correspond with the classifications of property set forth in the related schedule of property, plant, and equipment, separating especially depreciation, depletion, amortization, and provision for retirement.

<sup>3</sup> The balance at the beginning of the period of report may be as per the accounts.

**Rule 12-08. Intangible Assets.<sup>1</sup>**

Column A	Column B	Column C	Column D		Column E	Column F
Description <sup>2</sup>	Balance at beginning of period <sup>3</sup>	Additions at cost—describe <sup>4</sup>	Deductions <sup>5</sup>		Other changes—debit and/or credit—describe	Balance at close of period
			(1) Charged to profit and loss or income	(2) Charged to other accounts—describe		

<sup>1</sup> If in the accounts it is not practicable to separate intangible assets from property, plant, and equipment, the information here required may be included in the schedule for property, plant, and equipment. In such event state in the balance sheet any known amount of intangibles so included with an indication that a further unknown amount of intangibles is also so included.

<sup>2</sup> Show by major classifications, such as patents, or goodwill. If such classification is not present or practicable, this may be stated in one amount. The additions included in column C shall, however, be segregated in accordance with an appropriate classification. Items of minor importance may be included under a miscellaneous caption.

<sup>3</sup> The balance at the beginning of the period of report may be as per the accounts.

<sup>4</sup> If the changes in accounts in column C represent anything other than additions from acquisitions, state clearly the nature of the changes and the other accounts affected. If cost of additions represents other than cash expenditures, explain. If acquired from an affiliate at other than cost to the affiliate, show such cost, provided the acquisition by the affiliate was within two years prior to the acquisition by the person for which the statement is filed.

<sup>5</sup> If provision for depreciation and amortization of intangible assets is credited in the books directly to the intangible asset accounts, the amounts shall be stated in column D with explanations, including the accounts to which charged.

Rule 12-09. Reserves for Depreciation and Amortization of Intangible Assets.<sup>1</sup>

Column A	Column B	Column C		Column D	Column E
Description *	Balance at beginning of period <sup>2</sup>	Additions		Deductions from reserves—de- scribe	Balance at close of period
		(1) Charged to profit and loss or in- come	(2) Charged to other accounts—de- scribe		

<sup>1</sup> Insofar as amounts for depreciation and amortization are credited to the intangible asset accounts, such amounts shall be shown in the schedule of intangible assets, as there required.

<sup>2</sup> If practicable, reserves shall be shown to correspond with the classification in the related schedule of intangible assets.

<sup>3</sup> The balance at the beginning of the period of report may be as per the accounts.

**Rule 12-10. Funded Debt.<sup>1</sup>**

Column A	Column B	Column C	Column D		Column E	Column F	Column G	Column H	
Name of issuer and title of each issue <sup>2</sup>	Amount authorized by indenture	Amount issued and not retired or cancelled <sup>3</sup>	Amount included in column C, which is		Amount included in sum extended under caption "funded debt" in related balance sheet <sup>4</sup>	Amount in sinking and other special funds of issuer thereof <sup>5</sup>	Amount pledged by issuer thereof <sup>6</sup>	Amount held by affiliates for which statements are filed herewith <sup>7</sup>	
			(1) Held by or for account of issuer thereof	(2) Not held by or for account of issuer thereof				(1) Persons included in consolidated statement <sup>7</sup>	(2) Others

<sup>1</sup> Indicate in a note to the most recent schedule filed for a particular person or group any significant changes since the date of the related balance sheet. This information need not be given, however, if the schedule is filed as part of an annual or other periodic report.

<sup>2</sup> Include in this column each issue authorized, whether issued or not and whether eliminated in consolidation or not. For each issue listed give the information called for by columns B to H, inclusive.

<sup>3</sup> Indicate by means of an appropriate symbol any issues of which additional amounts may be issued.

<sup>4</sup> This column is to be totaled to correspond to the related balance sheet caption.

<sup>5</sup> Indicate by means of an appropriate symbol any amounts not included in subcolumn D (1).

<sup>6</sup> Affiliates for which statements are filed herewith shall include affiliates for which separate financial statements are filed and those included in consolidated or combined statements, other than the issuer of the particular security.

<sup>7</sup> Include in this subcolumn only amounts held by persons included in the consolidated statement in support of which this schedule is being filed. If not eliminated in the consolidation, explain in a note.

Rule 12-11. Indebtedness to Affiliates—Not Current.

Column A	Column B	Column C
Name of affiliate <sup>1</sup>	Balance payable at beginning of period <sup>2</sup>	Balance payable at close of period

<sup>1</sup> Affiliates shall be grouped as in the related schedules required for investments in securities of affiliates. The information called for may be shown, however, in total for each column for any two or more totally-held subsidiaries, provided the number of subsidiaries so grouped is stated.

<sup>2</sup> The balance at the beginning of the period of report may be as per the accounts.



Rule 12-12. Guarantees of Securities of Other Issuers.<sup>1</sup>

Column A	Column B	Column C	Column D	Column E	Column F	Column G
Name of issuer of securities guaranteed by person for which statement is filed	Title of issue of each class of securities guaranteed	Total amount guaranteed and outstanding <sup>2</sup>	Amount owned by person or persons for which statement is filed	Amount in treasury of issuer of securities guaranteed	Nature of guarantee <sup>3</sup>	Nature of any default by issuer of securities guaranteed in principal, interest, sinking fund or redemption provisions, or payment of dividends <sup>4</sup>

<sup>1</sup> Indicate in a note to the most recent balance sheet filed for a particular person or group any significant changes since the date of the related balance sheet. This information need not be given, however, if the schedule is filed as part of an annual or other periodic report. If this schedule is filed in support of consolidated statements or group statements, there shall be set forth guarantees by any person included in the consolidation or group.

<sup>2</sup> Indicate any amounts included in column C which are included also in column D or E.

<sup>3</sup> There need be made only a brief statement of the nature of the guarantee, such as "Guarantee of principal and interest," "Guarantee of interest" or "Guarantee of dividends." If the guarantee is of interest or dividends, state the annual aggregate amount of interest or dividends so guaranteed.

<sup>4</sup> Only a brief statement as to any such defaults need be made.

## Rule 12-13. Reserves.

Column A	Column B	Column C		Column D	Column E
Description <sup>1</sup>	Balance at beginning of period <sup>2</sup>	Additions		Deductions from reserves—describe	Balance at close of period
		(1) Charged to profit and loss or income	(2) Charged to other accounts—describe		

<sup>1</sup> List, by major classes, all reserves not included in specific schedules. Identify each such class of reserves by descriptive title. Group (a) those reserves which are deducted in the balance sheet from the assets to which they apply and (b) those reserves which support the balance sheet caption *Reserves, not shown elsewhere*. Special contingency reserves may be grouped in one total. Reserves

as to which the additions, deductions, and balances were not significant may be grouped in one total and in such case the information called for under columns C and D need not be given.  
<sup>2</sup> *Except in the case of a bank holding or investment company, the balance at the beginning of the period of report may be as per the accounts.*

Rule 12-14. Capital Shares.<sup>1</sup>

Column A	Column B	Column C	Column D		Column E		Column F		Column G	Column H
Name of issuer and title of issue <sup>2</sup>	Number of shares authorized by charter	Number of shares issued and not retired or cancelled	Number of shares included in column C which are		Shares outstanding as shown on or included in related balance sheet under caption "capital shares"		Number of shares held by affiliates for which statements are filed herewith <sup>4</sup>		Number of shares reserved for officers and employees	Number of shares reserved for options, warrants, conversions, and other rights
			(1) Held by or for account of issuer thereof	(2) Not held by or for account of issuer thereof	(1) Number	(2) Amount at which carried <sup>3</sup>	(1) Persons included in consolidated statements <sup>5</sup>	(2) Others		

<sup>1</sup> Indicate in a note to the most recent schedule filed for a particular person or group any significant changes since the date of the related balance sheet. This information need not be given, however, if the schedule is filed as part of an annual or other periodic report.

<sup>2</sup> Include in this column each issue authorized, whether issued or not, and whether eliminated in consolidation or not. For each issue listed give the information called for by columns B to H, inclusive.

<sup>3</sup> This column is to be totaled to correspond to the related balance sheet caption. In the case of consolidated subsidiaries only the minority interest need be set forth.

<sup>4</sup> Affiliates for which statements are filed herewith shall include affiliates for which separate financial statements are filed and those included in consolidated or combined statements, other than the issuer of the particular security.

<sup>5</sup> Include in this subcolumn only amounts held by persons included in the consolidated statement in support of which this schedule is being filed. If not eliminated in the consolidation, explain in a footnote.

**Rule 12-15. Warrants or Rights.<sup>1</sup>**

Column A	Column B	Column C	Column D	Column E	Column F	Column G
Title of issue of securities called for by warrants or rights	Amount of securities called for by each warrant or right	Number of warrants or rights outstanding <sup>2</sup>	Aggregate amount of securities called for by warrants or rights outstanding	Date from which warrants or rights are exercisable	Expiration date of warrants or rights	Price at which warrant or right exercisable

<sup>1</sup> Indicate in a note to the most recent schedule filed for a particular person or group any significant changes since the date of the related balance sheet. This information need not be given, however, if the schedule is filed as part of an annual or other periodic report.

<sup>2</sup> State separately amounts held by persons for which separate statements are filed or which are included in consolidated or combined statements, other than the issuer of the particular security.

Rule 12-16: Supplementary Profit and Loss Information.<sup>1</sup>

Column A	Column B <sup>2</sup>		Column C <sup>2</sup>		Column D
Item	Charged directly to profit and loss		Charged to other accounts		Total
	(1)	(2)	(1)	(2)	
	To costs or operating expenses <sup>3</sup>	Other	Account	Amount	
1. Maintenance and repairs.....					
2. Depreciation, depletion, and amortization of fixed and intangible assets (or charges in lieu thereof).....					
3. Taxes, other than income and excess profits taxes <sup>4</sup> .....					
4. Management and service contract fees.....					
5. Rents and royalties <sup>5</sup> .....					

<sup>1</sup> State for each of the items noted in column A the total called for in column D and, if practicable, set forth the details called for in columns B and C.

<sup>2</sup> Totals may be stated in the respective columns under column B without further designation of the accounts to which charged. If practicable, designate in column C the accounts to which charged.

<sup>3</sup> Do not include in this column amounts deducted in the profit and loss statement under the caption *Other operating expenses*.

<sup>4</sup> State separately each significant item.

<sup>5</sup> If the aggregate amount of rents and royalties is not significant, a statement to that effect will suffice. State rents and royalties separately if either amount is significant. If significant in amount, state the aggregate annual amount of the rentals upon all real property now leased to the person and its subsidiaries for terms expiring more than three years after the date of filing, and the number of such leases. If the rentals are conditional, state the minimum annual amount.

## Rule 12-17. Income From Dividends—Equity in Net Profit and Loss of Affiliates.

Column A	Column B			Column C
Name of issuer and title of issue <sup>1</sup>	Amount of dividends <sup>2</sup>			Amount of equity in net profit and loss for the period <sup>2, 4</sup>
	(1)	(2)	(3)	
	Cash	Other <sup>3</sup>	Total of related captions of profit and loss or income statement	

<sup>1</sup> The shares of affiliates shall be listed as in the related schedules required for investments in securities of affiliates. Dividends from (1) marketable securities and (2) other security investments shall also be included, and may be shown in separate aggregate amounts: *Provided, however*, That securities held in issuers as to which securities representing exactly fifty percent of the voting power are held directly or indirectly by the person for which the statement is filed and those representing the other fifty percent are held by another single interest, shall be separately stated and are, within the group, to be listed separately as to each major investment, the balance to be stated in a single aggregate.

<sup>2</sup> The information called for in columns B and C may be shown in total for each column for any two or more totally-held subsidiaries included in a consolidated statement.

<sup>3</sup> State as to any dividends other than cash, the basis on which they have been taken up as income, and the justification, if any, for such action. If any such dividends received from affiliates

have been credited to income in an amount differing from that charged to income or earned surplus by the disbursing company, state the amount of such difference and explain.

<sup>4</sup> (a) The information required by column C need be furnished only (1) as to affiliates and (2) as to issuers securities of which representing exactly fifty percent of the voting power are held directly or indirectly by the person for which the statement is filed and those representing the other fifty percent are held by another single interest. If the answer required in column B is in the negative as to any particular person, the information called for in column C shall nevertheless be furnished.

(b) The equity in the net profit and loss of each person required to be listed separately shall be computed on an individual basis. In addition, there may be submitted the information required as computed on the basis of the statements of each such person and its subsidiaries consolidated.

Rule 12-19. Investments in Securities—Marketable.<sup>1</sup>

(For Investment Companies Only)

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H
Name of issuer and title of issue <sup>2</sup>	Balance held at beginning of period. Number of shares—principal amount of bonds and notes	Gross purchases and additions as to each issue during period. Number of shares—principal amount of bonds and notes	Gross sales and reductions as to each issue during period. Number of shares—principal amount of bonds and notes	Balance held at close of period. Number of shares—principal amount of bonds and notes <sup>3</sup>	Cost of items included in column E <sup>4</sup>	Amount at which each issue was carried at close of period <sup>4 5</sup>	Market value of each issue at close of period <sup>4 6</sup>

<sup>1</sup> The required information is to be given as to all securities which were held at any time within the period. As to any class of such securities, none of which were held at the end of the most recent period, the classification required by note 2 need not be made.

<sup>2</sup> (a) Indicate by an appropriate symbol those securities which are non-income-producing securities. Evidences of indebtedness and preferred shares may be deemed to be income-producing if, on the respective last interest payment date or date for the declaration of dividends prior to the date of the related balance sheet, there was only a partial payment of interest or a declaration of only a partial amount of the dividends payable; in such case, however, each such issue shall be indicated by an appropriate symbol referring to a note to the effect that, on the last interest or dividend date, only a partial interest was paid or partial dividends declared. If, on such respective last interest or dividend date, no interest was paid or no dividends declared, the issue shall not be deemed to be income-producing. Common shares shall not be deemed to be income-producing unless, during the last year preceding the date of the related balance sheet, there was at least one dividend paid upon such common shares. List separately (A) bonds; (B) preferred shares; (C) common shares. Within each of these subdivisions classify according to type of business, insofar as practicable, e. g., investment companies, railroads, utilities, banks, insurance companies, or industrials. Give totals for each group, subdivision, and class.

(b) Each issue shall be listed separately: *Provided, however*, That an amount not exceeding five percent of the total of column H may

be listed in one amount as "Miscellaneous securities," provided the securities so listed have been held for not more than one year prior to the date of the related balance sheet, and have not previously been reported by name to the shareholders of the person for which the statement is filed or to any exchange, or set forth in any registration statement, application, or annual report or otherwise made available to the public.

<sup>3</sup> Indicate any securities subject to option at the end of the most recent period and state in a note the amount subject to option, the option prices, and the dates within which such options may be exercised.

<sup>4</sup> Columns F, G, and H shall be totaled. The total of column G at the close of the most recent period shall agree with the related balance sheet caption. For securities which have been written down in connection with a quasi-reorganization, such written-down amounts may be stated in column F in lieu of costs, provided an appropriate explanation is given. State in a footnote to this column the aggregate cost for purposes of the Federal income tax.

<sup>5</sup> If the amount shown in column G differs from the amount shown in either column F or H, state the basis of determining the amount in column G. If the amounts to be shown in column G are identical with the amounts to be shown in column F or H, a statement to that effect will suffice.

<sup>6</sup> If market value is determined on any other basis than closing prices reported on any national securities exchange, explain such other basis in a note.

# **Rule 12-20. Investments in Securities—Other Than Marketable Securities.<sup>1</sup>**

(For Investment Companies Only)

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H
Name of issuer and title of issue. <sup>2</sup>	Balance held at beginning of period. Number of shares—principal amount of bonds and notes	Gross purchases and additions as to each issue during period. Number of shares—principal amount of bonds and notes	Gross sales and reductions as to each issue during period. Number of shares—principal amount of bonds and notes	Balance held at close of period. Number of shares—principal amount of bonds and notes. <sup>3</sup>	Cost of items included in column E. <sup>4</sup>	Amount at which each issue was carried at close of period. <sup>4, 5</sup>	Value of each issue at close of period. <sup>4, 6</sup>

<sup>1</sup> The required information is to be given as to all securities which were held at any time within the period. As to any class of such securities, none of which were held at the end of the most recent period, the classification required by note 2 need not be made.

<sup>2</sup> (a) Indicate by an appropriate symbol those securities which are non-income-producing securities. Evidences of indebtedness and preferred shares may be deemed to be income-producing if, on the respective last interest payment date or date for the declaration of dividends prior to the date of the related balance sheet, there was only a partial payment of interest or a declaration of only a partial amount of the dividends payable; in such case, however, each such issue shall be indicated by an appropriate symbol referring to a note to the effect that, on the last interest or dividend date, only partial interest was paid or partial dividends declared. If, on such respective last interest or dividend date, no interest was paid or no dividend declared, the issue shall not be deemed to be income-producing. Common shares shall not be deemed to be income-producing unless, during the last year preceding the date of the related balance sheet, there was at least one dividend paid upon such common shares.

(b) Each issue shall be separately listed.

<sup>3</sup> Indicate any securities subject to option at the end of the most recent period and state in a note the amount subject to option, the option prices, and the dates within which such options may be exercised.

<sup>4</sup> Columns F, G, and H shall be totaled. The total of column G at the close of the most recent period shall agree with the related balance sheet caption. For securities which have been written down in connection with a quasi-reorganization, such written-down amounts may be stated in column F in lieu of costs, provided an appropriate explanation is given. State in a footnote to this column the aggregate cost for purposes of the Federal income tax.

<sup>5</sup> If the amount shown in column G differs from the amount shown in column F, state the basis of determining the amount in column G. If the amounts to be shown in column G are identical with the amounts to be shown in column F or H, a statement to that effect will suffice.

<sup>6</sup> Determine, as of the balance sheet date, by an appropriate method, the estimated value of each item listed. If the amount in column H differs from the amount in column F or G, state the basis of determining the amount in column H.



**Rule 12-21. Investments—Other Than Securities.<sup>1</sup>**

(For Investment Companies Only)

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H
Description <sup>2</sup>	Balance held at beginning of period—quantity <sup>3</sup>	Gross purchases and additions during period—quantity <sup>3</sup>	Gross sales and reductions during period—quantity <sup>3</sup>	Balance held at close of period—quantity <sup>3 4</sup>	Cost of items included in column E <sup>5</sup>	Amount at which each item is carried at close of period <sup>5 6</sup>	Value of each item at close of period <sup>5 7</sup>

<sup>1</sup> The required information is to be given as to all investments which were held at any time within the period.

<sup>2</sup> List each major class of investments by descriptive title.

<sup>3</sup> If practicable, indicate the quantity or measure in appropriate units.

<sup>4</sup> Indicate any investments subject to option at the end of the most recent period and state in a note the amount subject to option, the option prices, and the dates within which such options may be exercised.

<sup>5</sup> All money columns shall be totaled. The total of column G at the close of the most recent period shall agree with the related balance sheet caption. For investments which have been written down in connection with a quasi-reorganization, such written-down

amounts may be stated in column F in lieu of costs, provided an appropriate explanation is given.

<sup>6</sup> If the amount shown in column G differs from the amount shown in column F, state the basis of determining the amount in column G. If the amounts to be shown in column G are identical with the amounts to be shown in column F or H, a statement to that effect will suffice.

<sup>7</sup> For items having market or quoted values, state such amounts. For others, determine by an appropriate method the estimated value of each item listed. If the amount in column H differs from the amount in column F or G, state the basis of determining the amount in column H.

**Rule 12-22. Investments in Securities of Affiliates.<sup>1</sup>**

(For Investment Companies Only)

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H
Name of issuer and title of issue. <sup>2</sup>	Balance held at beginning of period. Number of shares—principal amount of bonds and notes	Gross purchases and additions to each issue during period. Number of shares—principal amount of bonds and notes	Gross sales and reductions as to each issue during period. Number of shares—principal amount of bonds and notes	Balance held at close of period. Number of shares—principal amount of bonds and notes <sup>3</sup>	Cost of items included in column E. <sup>4</sup>	Amount at which each issue is carried at close of period. <sup>5</sup>	Value of each issue at close of period. <sup>6</sup>

<sup>1</sup> The required information is to be given as to all securities which were held at any time within the period.

<sup>2</sup> Group separately (a) shares and bonds of subsidiaries consolidated and (b) shares and bonds of affiliates not consolidated. Give totals for each group. If operations of any affiliates not consolidated are different in character from those of the registrant, group such affiliates within division (b) by type of activity.

<sup>3</sup> Indicate any securities subject to option at the balance sheet date and state in a note the amount subject to option, the option prices, and the dates within which such options may be exercised.

<sup>4</sup> If the cost in column F represents other than cash expenditure, explain. If acquired from an affiliate (and not an original issue of that affiliate) at other than cost to the affiliate, show such cost, provided the acquisition by the affiliate was within two years prior to the acquisition by the person for which the statement is filed.

<sup>5</sup> Columns F, G, and H shall be totaled. The total of column G

at the close of the most recent period shall agree with the related balance sheet caption. For investments which have been written down in connection with a quasi-reorganization, such written-down amounts may be stated in column F in lieu of costs, provided an appropriate explanation is given.

<sup>6</sup> If the amount shown in column G differs from the amount in column F, state the basis of determining the amount in column G. If the amounts to be shown in column G are identical with the amounts to be shown in column F or H, a statement to that effect will suffice.

<sup>7</sup> For each issue having a market or quoted value, state such amount. For others, determine as of the balance sheet date by an appropriate method, the estimated value of each item listed. If the amount in column H differs from the amount in column F or G, state the basis of determining the amount in column H.

# Rule 12-23. Real Estate Owned and Rents Earned.<sup>1</sup>

(For Insurance Companies Other Than Life and Title Insurance Companies)

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REGULATION S-X

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PART 1—REAL ESTATE OWNED AT END OF PERIOD						PART 2—RENTS EARNED				
Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K
List by State and classification of property as indicated below	Amount of income-brances	Actual cost	Book value less income-brances	Market or fair value less income-brances	Admitted asset value <sup>2</sup>	Rents received applicable to period	Rents due and accrued at end of period	Total rents applicable to period	Expended for interest, taxes, repairs, and expenses	Net income applicable to period
NAME OF STATE										
Farms.....(total)										
Residential.....(total)										
Apartments and business										
Unimproved.....(total)										
Total.....										
Total, all States.....										
Rent from properties sold during period.....	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX					
Grand total.....										

<sup>1</sup> All money columns shall be totaled.

<sup>2</sup> If admitted asset value is different from the amount shown in either column C, D, or E, state the basis of determining such value.

# **Rule 12-24. Mortgage Loans on Real Estate and Interest Earned on Mortgages.<sup>1</sup>**

(For Insurance Companies Other Than Life and Title Insurance Companies)

PART 1--MORTGAGE LOANS ON REAL ESTATE AT CLOSE OF PERIOD							PART 2--INTEREST EARNED ON MORTGAGES			
Column A	Column B	Column C	Column D	Column E		Column F	Column G	Column H	Column I	Column J
List by State and classification indicated below <sup>2</sup>	Appraised value of property	Prior liens	Book value of mortgages	Amount unpaid at close of period		Amount of mortgages being foreclosed	Admitted asset value <sup>4</sup>	Interest received, applied to, or payable to period <sup>5</sup>	Interest due and accrued at end of period	Total interest received, due, and accrued applicable to period <sup>5</sup>
				(1) Total	(2) Subject to delinquent interest <sup>3</sup>					
NAME OF STATE										
First liens on:										
Farms.....(total)										
Residential.....(total)										
Apartments and business.....(total)										
Unimproved.....(total)										
Total.....										

<sup>1</sup> All money columns shall be totaled.

<sup>2</sup> If mortgages represent other than first liens, list separately in a like manner, indicating briefly the nature of the lien.

<sup>3</sup> Interest in arrears for less than 3 months may be disregarded in computing the total amount of principal subject to delinquent interest.

<sup>4</sup> If admitted asset value is different from the amount shown in either column D or E, state the basis of determining such value.

<sup>5</sup> In order to reconcile the total of column J with the amount shown in the profit and loss statement, interest applicable to period from mortgages sold or canceled during period should be added to the total of this column.

# Rule 12-25. Bonds and Interest Earned on Bonds.<sup>1</sup>

(For Insurance Companies Other Than Life and Title Insurance Companies)

PART 1—BONDS AT CLOSE OF PERIOD										PART 2—INTEREST EARNED ON BONDS		
Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I		Column J	Column K	Column L
Name of issuer and title of issue. <sup>2</sup>	Principal amount of bonds and notes	Actual cost (excluding accrued interest)	Book value <sup>3</sup>	Market value <sup>4</sup>	Amortized or estimated value <sup>5</sup>	Admitted asset value <sup>6</sup>	Year acquired	Bonds in default		Interest received applicable to period	Interest due and accrued on bonds not in default	Total interest received, due, and accrued on bonds applicable to period <sup>7</sup>
								(1) Interest amount	(2) Principal amount			

<sup>1</sup> (a) In lieu of this schedule there may be filed schedule D, part 1, of the annual statement filed with the respective domiciliary State regulatory authority. In such case the method of determining market value shown in column 7 of that schedule shall be stated in a note.

(b) All money columns shall be totaled.

<sup>2</sup> Give the title of each issue of bonds owned. Group separately those in default and those not in default. Within these two groups segregate according to class of bonds, *e. g.*, Government, State, railroads, utilities, industrials, etc., and give totals for each group and class.

<sup>3</sup> State the basis of determining the amount.

<sup>4</sup> State the method of determining market value.

<sup>5</sup> Indicate by a symbol whether amortized or estimated value.

State the basis of determining estimated value.

<sup>6</sup> If admitted asset value is different from the amount shown in either column C, D, E, or F, state the basis of determining such value.

<sup>7</sup> In order to reconcile the total of column L with the amount shown in the profit and loss statement, interest applicable to period from bonds sold or matured during period should be added to the total of this column.

# **Rule 12-26. Stocks—Other Than Stocks of Affiliates and Income From Dividends Thereon.<sup>1</sup>**

(For Insurance Companies Other Than Life and Title Insurance Companies)

PART 1—STOCKS—OTHER THAN AFFILIATES AT CLOSE OF PERIOD						PART 2—INCOME FROM DIVIDENDS			
Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H		
Name of issuer and title of issue <sup>2</sup>	Number of shares	Actual cost	Book value <sup>3</sup>	Market or estimated value <sup>4</sup>	Admitted asset value <sup>5</sup>	Year acquired	Amount of dividends applicable to period		
							(1)	(2)	(3)
							Cash	Other <sup>6</sup>	Total <sup>7</sup>

<sup>1</sup> (a) In lieu of this schedule there may be filed schedule D, part 2, of the annual statement filed with the respective domiciliary State regulatory authority: *Provided*, (1) That from the totals of the proper columns there be deducted the amounts represented by the investment in stocks of affiliates called for in the schedule prescribed by rule 12-28; (2) the method of determining market value shown in column 6 of schedule D, part 2, be stated; and (3) a supplemental schedule listing all stock dividends received, other than from affiliates, the name of issuer, the number of shares and the amount at which taken up as income, and the information specified in note 6, is furnished.

(b) All money columns shall be totaled.

<sup>2</sup> Give the name of each issue of stock owned. Group separately, according to type of business, *e. g.*, railroads, utilities, bank, trust

and insurance companies, industrials, etc. Give totals for each group.

<sup>3</sup> State the basis of determining the amount.

<sup>4</sup> Indicate by a symbol whether market or estimated value. State the basis of determining such value.

<sup>5</sup> If admitted asset value is different from the amount shown in either column C, D, or E, state the basis of determining such value.

<sup>6</sup> State as to any dividends other than cash, the basis on which they have been taken up as income and the justification, if any, for such action.

<sup>7</sup> In order to reconcile the total of subcolumn H (3) with the amount shown in the profit and loss statement, dividends applicable to period from stocks sold during period shall be added to the total of this subcolumn.

**Rule 12-27. Summary of Investments in Securities—Other Than Securities of Affiliates.<sup>1</sup>**

(For Insurance Companies Other Than Life and Title Insurance Companies)

Column A	Column B	Column C	Column D	Column E	Column F
Type of security	Book value	Principal amount of bonds and notes	Market value (excluding accrued interest)	Actual cost (excluding accrued interest)	Amortized or investment value of bonds and notes <sup>2</sup>
<b>1. BONDS AND NOTES <sup>2</sup></b>					
(a) Government.....	-----	-----	-----	-----	-----
(b) States, Territories, and possessions.....	-----	-----	-----	-----	-----
(c) Political subdivisions of States, Territories, and possessions.....	-----	-----	-----	-----	-----
(d) Railroads.....	-----	-----	-----	-----	-----
(e) Public utilities.....	-----	-----	-----	-----	-----
(f) Industrial and miscellaneous.....	-----	-----	-----	-----	-----
Total bonds and notes.....	-----	-----	-----	-----	-----
<b>2. STOCKS <sup>2</sup></b>					
(g) Railroads.....	-----	XXX	-----	-----	XXX
(h) Public utilities.....	-----	XXX	-----	-----	XXX
(i) Banks, trust and insurance companies.....	-----	XXX	-----	-----	XXX
(j) Industrial and miscellaneous.....	-----	XXX	-----	-----	XXX
Total stocks.....	-----	XXX	-----	-----	XXX
Total investment in securities other than securities of affiliates.....	-----	XXX	-----	-----	XXX

<sup>1</sup> In lieu of this schedule there may be filed schedule D—Summary of the correlative annual statement filed with the domiciliary State regulatory authority: *Provided*, That from the totals of the proper columns there be deducted the amounts represented by the investment in stocks of affiliates called for in the schedule prescribed by rule 12-28.

<sup>2</sup> Under each subdivision of captions 1 and 2, make a further classification into (a) United States, (b) Canada, and (c) other countries.

<sup>3</sup> Companies which do not amortize their bonds and notes shall insert a note to that effect in lieu of the information required.

# Rule 12-28. Investments in Stocks of Affiliates and Income From Dividends Thereon.<sup>1</sup>

(For Insurance Companies Other Than Life and Title Insurance Companies)

PART 1—INVESTMENTS IN STOCKS OF AFFILIATES AT CLOSE OF PERIOD						PART 2—INCOME FROM DIVIDENDS		
Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	
Name of issuer and title of issue <sup>2</sup>	Number of shares	Actual cost	Book value <sup>3</sup>	Market or estimated value <sup>4</sup>	Admitted asset value <sup>5</sup>	Year acquired	Amount of dividends applicable to period	
							(1) Cash	(2) Other <sup>6</sup>
							(3)	Total <sup>7</sup>

<sup>1</sup> All money columns shall be totaled.

<sup>2</sup> Give the name of each issue of stock owned. Group separately (a) stocks of insurance companies and (b) stocks of other affiliates. Within group (b) classify according to type of business. Give totals for each group and class.

<sup>3</sup> State the basis of determining the amount.

<sup>4</sup> Indicate by a symbol whether market or estimated value. State the basis of determining such value.

<sup>5</sup> If admitted asset value is different from the amount shown in either column C, D, or E, state the basis of determining such value.

<sup>6</sup> State as to any dividends other than cash, the basis on which they have been taken up as income and the justification, if any, for such action. If any such dividends received from affiliates have been credited to income in an amount differing from that charged to income or earned surplus by the disbursing company, state the amount of such difference and explain.

<sup>7</sup> In order to reconcile the total of subcolumn H (3) with the amount shown in the profit and loss statement, dividends applicable to the period from stocks sold during period shall be added to the total of this subcolumn.



**Rule 12-29. Premiums, Losses, and Commissions.<sup>1</sup>**

(For Insurance Companies Other Than Life and Title Insurance Companies)

PART 1					PART 2 <sup>2</sup>			
Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I
Line of insurance	Unearned premiums beginning of period	Net premiums written	Unearned premiums end of period	Premiums earned during period	Losses incurred during period	Loss expense incurred during period	Commissions and brokerage incurred during period	Other underwriting expense incurred during period <sup>3</sup>

<sup>1</sup> All money columns shall be totaled.<sup>2</sup> Fire insurance companies may furnish information under columns G, H, and I by totals only, if the information required by such columns is not available by lines of insurance.<sup>3</sup> Include in this column all amounts set forth in the related profit and loss statement under captions 6, 7, 8, and 9.

**Rule 12-30. Due and to Become Due for Borrowed Money.<sup>1</sup>**

(For Insurance Companies Other Than Life and Title Insurance Companies)

Submit a schedule showing (a) from whom borrowed; balance at balance sheet date; and (h) conditions governing (b) date of loan; (c) due date; (d) extensions granted; earning each loan.  
(e) original amounts; (f) total payments; (g) unpaid

<sup>1</sup> Indicate in a note any significant changes since the date of the balance sheet.

**Rule 12-31. Profit and Loss on Sale or Maturity of Investments.<sup>1</sup>**

(For Insurance Companies Other Than Life and Title Insurance Companies)

Column A	Column B	Column C
Description of investment <sup>2</sup>	Profit	Loss
	(1) On sale	(1) On sale
	(2) On maturity	(2) On maturity

<sup>1</sup> Columns B and C shall be totaled. In lieu of this schedule there may be filed schedule A, part 3, and schedule D, part 4, of the annual statement filed with the respective domiciliary State regulatory authority, provided, there is furnished a supplemental schedule

showing for other investments the information called for in this schedule.

<sup>2</sup> Group investments by classes.

Rule 12-32. Investments in Securities of Affiliates—Banks.<sup>1</sup>

(For Bank Holding Companies Only)

Column A	Column B		Column C				Column D	Column E	Column F	Column G
Name of issuer and title of issue <sup>2</sup>	Shares owned by the person for which statement is filed		Total capital, surplus, and undivided profits of affiliated banks <sup>3</sup>				Amount of net tangible asset value applicable to shares owned by others	Amount of net tangible asset value applicable to shares owned by person for which statement is filed <sup>5</sup>	Amount at which carried in balance sheet of person for which statement is filed <sup>5</sup>	Net additions to profits of each affiliate for period <sup>3, 6</sup>
	(1) Number	(2) Percent of total outstanding	(1) Preferred shares, capital notes, or debentures	(2) Common shares	(3) Surplus and undivided profits	(4) Total common shares, surplus, and undivided profits				
						(5) Adjustments, if any, necessary to arrive at net tangible asset value <sup>4</sup>				
						(6) Net tangible asset value				

<sup>1</sup> Subcolumns C (1), (2), (3), (4), (5), and (6) and columns D, E, F, and G shall be totaled.

<sup>2</sup> Each issue shall be separately listed. Group according to combined statements, if any; otherwise group by States. Within each group segregate national banks from State banks. Designate by an appropriate method those banks which are (a) not members of the Federal Reserve System, and (b) not insured with the Federal Deposit Insurance Corporation. If preferred shares, state par value and if the redemption or redeemable value is other than par value, state such other value.

<sup>3</sup> The information called for in subcolumns C (1), (2), (3), and

(4) and column G shall be as shown by the "Reports of Condition" and the "Reports of Earnings and Dividends" submitted by the affiliate to a Federal authority, or if it does not report to a Federal authority, to its respective State authority.

<sup>4</sup> Describe briefly the nature of the adjustments. Deduct here any excess of redemption or redeemable value over par value of preferred shares or principal amount of capital notes and debentures.

<sup>5</sup> If the amount shown in column F differs from the amount shown in column E, state the basis of determining the amount in column F.

<sup>6</sup> The information required by column G shall be shown separately for each period for which a profit and loss statement is filed.

# **Rule 12-33. Investments in Securities.<sup>1</sup>**

(For all Unit Investment Trusts, and for those Unincorporated Management Investment Companies which are Issuers of Periodic Payment Plan Certificates)

Part 1					Part 2					
Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K
Name of issuer and title of issue <sup>2</sup>	Balance held at beginning of period. Number of shares—principal amount of bonds and notes	Gross purchases and additions as to each issue during period. Number of shares—principal amount of bonds and notes <sup>3</sup>	Gross sales and reductions as to each issue during period. Number of shares—principal amount of bonds and notes	Balance held at close of period. Number of shares—principal amount of bonds and notes	Cost of items included in column E <sup>4 5</sup>	Amount at which each issue was carried at close of period <sup>6</sup>	Market value of each issue at close of period <sup>6</sup>	Distribution received on trust shares	Dividends on other shares <sup>7</sup>	Interest

<sup>1</sup> The required information is to be given as to each issue of securities held at any time during the period.

<sup>2</sup> Group separately (a) shares of investment companies; and (b) other securities. As to securities set forth in group (a) list separately (1) trust shares in trusts created or serviced by the depositor or sponsor of this trust; (2) trust shares in other trusts; and (3) securities of other investment companies. As to securities set forth in group (b) list (1) evidences of indebtedness; (2) preferred shares; (3) common shares; and (4) other securities. Within each of these subdivisions classify according to type of business, insofar as possible, *e. g.*, railroads, utilities, banks, insurance companies, industrials. Give totals of each group, subdivision, and class.

<sup>3</sup> Describe briefly the nature of any additions otherwise than through cash purchases.

<sup>4</sup> State the basis upon which cost has been determined. State in a footnote to this column the aggregate cost for purposes of the Federal income tax.

<sup>5</sup> Column F, G, and H shall be totaled. The total of column G at the close of the most recent period shall agree with the related caption in the statement of condition. If the amount shown in column G differs from the amount shown in either column F or H, state the basis of determining the amount in column G. If the amounts to be shown in column G are identical with the amounts to be shown in columns F or H, a statement to that effect will suffice.

<sup>6</sup> If market value is determined on any basis other than closing prices reported on any national securities exchange, explain such other basis in a note.

<sup>7</sup> Identify all dividends other than cash taken up in income, and state the basis on which so taken up.

**Rule 12-34. Trust Shares.**

(For all Unit Investment Trusts, and for those Unincorporated Management Investment Companies which are Issuers of Periodic Payment Plan Certificates)

1. Amount at which ----- trust shares were carried at beginning of period.<sup>1 2</sup>----- \$-----
2. Additions during period resulting from:
  - (a) Creation of ----- trust share<sup>1</sup>----- \$-----
  - (b) Allocations of trust income for reinvestment-----
  - (c) Other additions<sup>3</sup>-----
3. Total additions-----
4. Deductions during period resulting from:
  - (a) Surrender and cancellation of ----- trust shares<sup>1</sup>-----
  - (b) Other distributions (or transfers to distributable funds) of amounts credited to trust shares-----
  - (c) Other deductions<sup>4</sup>-----
5. Total deductions-----
6. Amount at which ----- trust shares were carried at end of period.<sup>1 5</sup>----- \$-----

<sup>1</sup> Insert the applicable number of trust shares.

<sup>2</sup> State the basis of determining the amount.

<sup>3</sup> State separately all significant items. If market appreciation of underlying trust property is included, the amount thereof shall be shown separately. Income required to be set forth in the statement of income and distributable funds shall not be set forth here.

<sup>4</sup> State separately all significant items. If market depreciation of underlying trust property is included, the amount thereof shall be shown separately. Expenses required to be set forth in the statement of income and distributable funds shall not be set forth here.

<sup>5</sup> The balance at the close of the most recent period shall agree with caption 8 of the related statement of condition.

